

SPEECH

OF

MR. WRIGHT, OF NEW YORK,

ON

THE TARIFF.

DELIVERED IN THE SENATE OF THE UNITED STATES, APRIL 19 AND 23, 1844.

Mr. McDUFFIE, of South Carolina, introduced in the Senate a bill proposing to reduce all duties, under the present tariff law, which are above the rate of 20 per cent., to that rate, by gradual reductions. That bill was referred to the Committee on Finance, and the committee reported the bill back to the Senate, without amendment, with a resolution recommending its indefinite postponement, upon the ground that the constitution requires that all such bills shall originate in the House of Representatives.

The question being upon this resolution, reported by the Committee on Finance, Mr. BAGBY, of Alabama, was entitled to the floor, and he yielded it to Mr. WRIGHT.

Mr. WRIGHT said his honorable friend from Alabama was entitled to his thanks for thus generously yielding to him the privilege to address the Senate at this time, and he sincerely tendered them to him.

The question in form, was the bill introduced by the honorable senator from South Carolina, [Mr. McDUFFIE,] and the resolution of the committee proposing its indefinite postponement; but the question in fact, and to which the discussion had been principally directed, was the modification, in any form, and to any extent, of the present tariff law. The latter was the question it was his exclusive object and purpose to discuss.

In reference to the bill referred to, and the resolution of the committee proposing a final disposition of it, he would merely remark, that the difficulties which had been suggested against originating such bills in the Senate, under the provision of the constitution, that "all bills for raising revenue shall originate in the House of Representatives," had not been obviated in his mind, and he could not vote for the bill of the honorable senator in the shape in which he had presented it.

The question whether any, and what, modifications ought to be made to the present tariff law, was one of great importance, of which he was not insensible. He believed he felt, as deeply as he was capable of feeling, its magnitude and delicacy. He

had not forgotten that it was a question affecting all the great interests of the country, and, to a greater or less extent, the private interests of almost every citizen. He was not insensible that it intermixed itself with the political feelings, as well as interests, of parties and individuals; and that, at a time like the present, pending a heated political canvass, it could not be kept separated from the prejudices and passions which such a canvass was too liable to excite. Still, he felt it to be his duty to discuss the question fairly and candidly and fully, and that duty he intended to discharge. He should endeavor to regard all the interests and all the feelings to be affected by the discussion; and to express his opinions without reserve, upon all the points he should raise. That he should avoid errors, he dared not to hope; but that he should be able to express himself in a manner not to give just offence to any individual, or to any interest, and much less to any member of the Senate, he did earnestly hope.

The manner of the passage of the present tariff law, and the circumstances which attended its passage through both Houses of Congress, and especially through the Senate, gave the fullest assurance to the country that some, at least, who voted for it, did not expect it would produce content and quiet in the public mind, or that it could be permanent. He was one of those who entertained these anticipations in regard to that law, at the time of its passage, and he gave expression to them upon that occasion. After he found his efforts, and those of all others, to remedy its manifest defects, must be ineffectual, and that the law must pass as it was, or not at all, his conclusion to vote for it was one of the most reluctant he had ever formed as to the discharge of a public duty; and he could not consent to give that vote, without placing upon record the reasons for it, and an assurance of his future readiness, whenever the opportunity should present, to correct the errors which he felt convinced were prevalent in the provisions of the act. That assurance was distinctly given in the remarks to which he referred. It had never been forgotten by him, nor had he been per-

mitted to forget it; for his friends, and especially the honorable senator from New Hampshire, [Mr. WOODBURY,] had been careful to remind him of it in the course of this debate, for which he thanked them.

Among the reasons then given for his vote, he begged to bring the recollection of the Senate to that of a suspension of the distribution of the proceeds of the public lands. That reason alone was most powerful with him, and most especially so as connected with the legislation of Congress of this character. He considered that a measure directly calculated, if not intended, to produce the necessity for high duties; and its continuance, even for a few years, appeared to him strongly to threaten to make that necessity perpetual, by making the repeal or suspension of that law impossible. He should, therefore, have voted for an otherwise very bad law, to accomplish that great good. His other reasons were connected with the then state of the treasury, the condition of the public credit, and our rapidly accumulating national debt; and he would content himself with a simple reference to them, as then given.

In proceeding with this discussion, he was not at liberty to forget the character and extent of the various interests it was his duty to represent, in legislating upon this subject. The mechanical and manufacturing interests of the State of New York are second to those in few of the States of the Union. They exist to a large extent, and in almost all their varieties, in that State, and are rapidly increasing and very important interests.

The commercial interest of the State is very far greater than the same interest in any other of the States, and the enterprise and energy engaged in it are certainly second to none. Its health and prosperity are highly essential to the well being of all the other great interests of the State and country, and they should not fail to command the careful attention of every representative from the State in Congress.

The agricultural interest of the State is the basis of all the others, and is paramount to all in extent and importance. Represent what else he may, every representative from the State, out of her principal city, represents an agricultural interest greater than any and all others, and of which not one of them can, or will, be unmindful. The agricultural interest of New York is a less exclusive interest than in some of the other States; but it is second in extent of capital, and in importance, to the same interest in few, if any, of the States.

The great interest of labor, as an independent interest, distinct and separate from capital, exists as much more extensively in this State than any other, as the population of the State exceeds that of any other. This interest exists in all the others, pervades them all equally, and is equally indispensable to them all. So far, therefore, as it is to be affected by this legislation, it is paramount to them all, and presents an equal claim to the watchful care of every representative, come from what State, or from what part of any State, he may.

Such was a brief view of the great interests addressing themselves to him, when called upon to act upon the subject of the tariff. Such were the interests to which he acknowledged direct responsibility for his action here; and to assume that he did, or could, feel hostility towards any one of them, would be to assume that he did and could entertain most unnatural feelings, without the slightest possible

foundation for them. In proportion to the existence of these great interests in the State, he was, so far as he knew, equally indebted to all. His personal relations towards all had ever been equally amicable; his personal interests were intimately connected with the prosperity and success of all; and if his personal feelings were partial to any one, to the prejudice of any other of them, he was entirely unconscious of the fact. So far as he knew himself, he was equally disposed to do justice to every one of these interests; and if the opinions he should express, and the policy he should recommend, should prove him mistaken in fact, he certainly was not in the intention. There might be points of conflict between these great interests, touching our legislation of this character; but he laid it down as a rule which could not be mistaken, that the law, affecting all, which was best for all collectively, was the best and wisest law for each interest separately considered; for it was impossible that either could derive permanent benefit from that measure which should inflict permanent injury upon any other. Intending to preserve the strictest observance of this rule, he would proceed to the discussion.

And he would premise that it is the settled and determined policy of the government and people of this country to raise, by duties upon imports, so much revenue as the public treasury shall require, and the wants of the government, economically administered, shall demand, beyond the permanent receipts from the public lands. This, he believed, was a position assented to by all, practically speaking. There might be individuals who believed it would be more equal, and more economical, to raise this revenue by direct taxation upon the property of the country, as a theoretical proposition; but he did not suppose that a single individual in the whole country contemplated a change from this indirect, to a system of direct, taxation, to raise the revenues necessary for the support of this government, in a time of peace. He certainly contemplated no such change; and he should consider any proposition to effect it unwise, inexpedient, and wholly inadmissible.

Assuming, therefore, that this portion of our necessary revenues were to be raised by imposts, as a permanent and settled system, he would first lay down the rules by which he thought these imposts should be graduated, and by which he considered the right and the claim to protection, on the part of any interest, to be limited, before he examined the present tariff law with reference to modifications.

First, then, every duty upon a protected article is necessarily protective to some extent. It serves to give an advantage to the producer of the article in this country over the foreign producer, in the markets of this country; because the foreign article must pay the duty, and the domestic article does not. In this respect, it is immaterial whether the producer of the article in the foreign country, or the consumer of it in this, pay the duty. If the former pay it, he sells his article at a less profit, or at a loss, in consequence; while, if the domestic consumer pay the duty, it is because it adds to the market value of the article in this country; and in either case, the domestic producer reaps the advantage.

Second. Every duty is necessarily prohibitory to some extent. Any branch of trade wholly free from taxation will necessarily be entered into more readily, and carried on more extensively, than when taxed; though light duties will exert a much less proportionate prohibitory influence than heavy ones.

The capital required will be increased in about the proportion of the duties assessed, because the importer must pay the duties before he can offer his goods in the market; and when the duties are made heavy, the hazards of the trade are greatly increased, from the increased outlay of capital, and the increased risk of finding consumers at greatly enhanced prices. Hence the greater proportionate prohibitory action of high duties.

Third. Every duty is a revenue, as contradistinguished from a protective duty, so long as its revenue are paramount to its prohibitory powers. That rate of duty, upon any given article of import, which will yield the largest amount of revenue, is the highest revenue duty which that article will bear, and affords the highest protection which can be given to the article, when of domestic production, consistently with the object of raising revenue. Any less rate of duty upon the same article is, of course, within the revenue range, and is a revenue duty, though not the highest which may be imposed to raise revenue. Up to that highest rate, the only way to increase the amount of revenue to be derived from the importation of the article is to increase the rate of the duty. Within this range, the protection afforded is incidental to the revenue power of the duty; and if the revenue be required, the protection is a necessary and unavoidable incident, and cannot afford just ground of complaint to any interest. This he considered the true limit of the right and claim to protection.

Fourth. Every duty is a protective, as contradistinguished from a revenue duty, when its prohibitory become paramount to its revenue powers. Raise the duty upon the given article above the highest revenue rate assumed under the last head, and the importations of the article will be either wholly prohibited, or so greatly diminished, that the amount of revenue derived will be less, though the rate of duty paid is greater. If the prohibition be perfect, there will be no revenue. In either of these cases, the protection to the domestic article is greater than before supposed; but it is obtained at the sacrifice of revenue, not as incidental to it. The prohibitory have become paramount to the revenue powers of the duty. The positions are reversed; and the revenue derived, if any, has become a mere incident to the protection afforded. This is making protection the principal, and revenue the incident. It is exercising the power which the constitution has given to Congress, "to lay and collect taxes, duties, imposts, and excises," not to put money in the public treasury, but to prohibit imports, and diminish the revenue for the sake of the protection afforded. He was compelled to consider it a very questionable exercise, both in principle and expediency, of these taxing powers.

It followed, from these positions, that free trade is the absence of duties, and prohibition the destruction of revenue, either of which would equally destroy our system of revenue from imposts, and force a resort to direct taxation; that a fairly arranged system of revenue duties was the medium between these extremes; and that such a system would necessarily extend to our domestic interests an amount of incidental protection equal to the whole amount of the revenue required from this source, and still leave a healthful and stable foreign trade.

He hoped he should be understood, and that he had been able to express the opinions he entertained upon these points. If so, it would be seen that the articles upon which the requisite amount of revenue

should be assessed and collected, and the rates of duty to be imposed upon each, within the revenue range, were, in his opinion, entirely within the discretion of the legislature, as a question of principle. Congress had always allowed the importation of some articles free of duty, and its right to do so had never been questioned. Could there be any more question of its right to impose one rate of duty upon one article, and a different rate upon another, keeping within the revenue limit in all cases? He thought not. The imposition of duties to prohibit trade, and defeat revenue, appeared to him to be the ground of complaint and question; not the imposition of duties to raise and collect revenue, although more heavy upon one article than another.

The power to discriminate, then, as to the articles to be taxed, and as to the rate of tax to be imposed upon each, within the range of revenue duties, he considered perfect and unquestionable; and whether it should be exercised to favor necessities at the expense of luxuries, the poor at the expense of the rich, to extend incidental protection to a domestic interest against the too strong competition of a foreign competing interest, or for any similar object, appeared to him to be questions purely of legislative discretion, and not at all of constitutional power. He thought this point had been obscured by confounding the limit of the power with the object of its exercise. He did not admit the rightful exercise of the power, beyond the revenue limit, for any object; and within that limit, he admitted it for all objects, within the reach of legislative discretion. In this way the argument was disbarred from all the difficulties which had been thrown out, about recommending discrimination for one object, and denying the power to exert it for another. It was a power which, thus limited, might be greatly abused. It might be exercised against necessities to favor luxuries; against the poor to favor the rich; against the protection of domestic interests to favor foreign producers; or in any other perverted manner; but such liability to abuse did not disprove the existence of the power.

A single remark further would bring him to an examination of the practical operations of the present law upon the trade and business of the country. It was, that, because the rule laid down recognised the highest rates of duty consistent with revenue to be the proper limit of legislative discretion in arranging and imposing duties, it did not follow that this limit was always to be reached in fixing the rates of duty. The state of the public treasury and the wants of the government for proper expenditure, were to control that discretion within this limit. No more revenue should be drawn from the pockets of the people than the economical administration of this government renders indispensable. While the revenue limit can never be exceeded to obtain revenue, because duties above that line prohibit importation so as to diminish revenue, so duties should never be imposed, within that line, for the mere sake of the incidental protection, when the money to be realized from the tax is not required for the public service.

With these limitations kept constantly in view, he was now prepared to enter upon an examination of the present tariff law, in its practical action upon the foreign commerce of the country, as shown by the custom-house returns made to the Treasury Department, and the tables of commerce and navigation for some few years past. In the statements he proposed to make, and the results he had arrived at.

he had depended mainly upon the documents he had found appended to a report of the Committee of Ways and Means of the House of Representatives, made to the House on the 11th of March last. This report had been laid upon the tables of the members of the Senate, and was, therefore, within the reach of every senator. He first referred them to "Appendix A," which showed that the whole amount of the importations, for the year commencing on the first of October, 1842, and ending on the 30th September, 1843, was \$89,260,895. That of these imports, the free articles amounted to - - - 40,470,961

Leaving the amount of articles paying duty at - - - 48,789,934

Of these dutiable goods, those re-exported, with a drawback of the duty, were - - - 4,363,440

Thus leaving, for the consumption of the country, and to pay duty in fact, but - - - 44,426,494

The present tariff law was approved by the President on the 30th of August, 1842; so that the year above given is the first and only one in which its practical operation upon the trade of the country can be tested by the returns.

A comparison of this year's business with the total and dutiable importations of the six previous years will give a general view of the diminution of our trade under this law. The importations of those six years were as follows:

Years.	Free of duty.	Paying duty.	Total importations.
1837	\$69,250,031	\$71,739,155	\$140,989,217
1838	60,860,005	62,857,399	113,717,404
1839	76,401,792	85,670,340	162,092,132
1840	57,196,204	49,948,315	107,141,519
1841	66,019,731	61,926,446	127,946,177
1842	30,627,436	69,534,601	100,162,037

An examination of these figures will show that the entire importations of the single year, under the present law, are nearly eleven millions less than the importations of 1842, which was very much the lowest of the six years; and almost seventy-three millions below the importations of 1839, the highest of those years. The changes in the character of the importations will still more clearly exhibit the influence of this law upon the trade. Under the compromise act, the class of free articles was very large; and during the whole period of the operation of that law, about one half of the entire importations, as an average, were free of duty. That will be remarked as to five of the six years, by a reference to the figures given above—the advantage being about seven millions on the side of the free goods.

On the 11th of September, 1841, an act was passed "relating to duties and drawbacks," which imposed a duty of 20 per cent. upon all free articles, and all articles then, paying a less duty, with certain enumerated exceptions, the principal of which are tea and coffee, raw and undressed hides and skins, coarse wool, gold and silver coins and bullion, and the list of articles used in manufacturing. This act was in force as to all the importations of 1842, except so far as those importations may have been reached by the present law; and the consequence was, that the amount of free articles fell down, from more than an average of 60, to 30 millions, and the dutiable articles rose up to 69 millions; being more

than the average for the five previous years, although the importations of the year were much less than in any one of the five, and very far below their average. In this single year the dutiable articles much more than doubled the free. Under the present law the free and dutiable articles are very much the same as under the law of 1841, except that the coarse wool, and raw and undressed hides and skins, are added to the dutiable side, at the low rate of 5 per cent.; and yet the dutiable importations, in the first year of its operation, are nearly 21,000,000 less than under the act of 1841, which was in force but one year; and the free importations have gone up again almost 10,000,000 above what they were under the last-named act, and to very nearly the one-half of the entire importations of the year. This, too, has taken place after the change from the free to the dutiable side of full three millions in the articles of wool and skins. When to this astonishing change in the character of the imports, in a single year, is added the fact that, of the 40 millions of free imports, in 1843, about 24 millions consisted of gold and silver coins and bullion alone, the influence of the law upon the trade of the country cannot fail to be seen. The exchanges of commerce have been crippled to an unexampled extent, and our produce sent abroad for a market must be sold for what it will bring in coin, as the merchant dare not exchange it for merchandise, and encounter our duties.

This is a general view of the whole imports; of the whole foreign trade of the country. It afforded the ground for a very imperfect judgment as to the effect of the law in detail. The rates of duty were very various, and upon some articles of importance they were moderate, and upon some very low. Upon other large classes of articles, again, they were very high and extensively prohibitory. A detailed examination, therefore, was necessary to present the action of the law in its true light; and to enable him to make that examination he had referred to other tables appended to the same report. "Appendix B" was a comparative statement of dutiable imports, for the six years which had been mentioned, and for the first three quarters of the one year under the present law; exhibiting the articles as named in the present law, and the amount of importations of each article, so far as that could be ascertained from the different forms in which the import tables had been kept, under the different tariff laws. The first column showed the average importations for the three years, 1837, 1838, 1839; the second, the same average for the three years, 1840, 1841, 1842; and the third, the actual imports for the three quarters of a year, commencing on the 1st of October, 1842, and ending on the 30th of June, 1843. "Appendix D, No. 2," exhibited the actual importations, for the same three quarters, of each article paying ad valorem duties under the present law, the amount of duties actually paid upon each article so imported, and the rate per cent. of the duty fixed in the law, where there is no minimum, and the rate per cent. to which the duty paid amounts, where there is a minimum. "Appendix D, No. 3," gave the same information, for the same period, as to all the articles imported, paying specific duties under the present law. In this table the rates per cent. of the duty were calculated at the treasury, from the value of importations of each article, and the amounts actually paid in duties; and both these documents were authenticated by the official signature of the Register of the Treasury. To these three tables

reference was to be had for the data upon which the following particular statements were based.

From the 1st of October, 1842, to the 30th of June, 1843, being the first three-quarters of one year of the operation of the present tariff law, the importations of wool, costing more than seven cents per pound, were valued at \$54,695; and the amount of duties paid upon that sum was \$21,941 88, being at the rate of 40.11 per cent. The average value of the importations of this same description of wool, for the three years, 1837, 1838, and 1839, was \$801,087; and for the three years, 1840, 1841, and 1842, \$1,004,312. This is equal to an average, for the six years, of \$902,699 per year; while the \$54,695, for three-quarters of the year, under the present law, is only equal to the rate of \$72,927 per year; showing a falling off of the importations, compared with the average of the six previous years, of more than 91 per cent.

The value of the imports of cloths, cassimeres, and other woollen goods paying a duty of 40 per cent., for the same three-quarters of a year, was \$1,472,381, upon which there was paid in duties the sum of \$588,952 40. The average value of the importations of these same goods, for the six years before named, was \$5,613,920 per year. The average importations for one year, under the present law, at the rate of the three-quarters given, was \$1,963,175, showing a falling off in this importation, as compared with the six years, of 65 per cent.

The whole importations of the manufactures of cotton, for the same three-quarters of a year, were valued at \$2,958,796. The nominal duty, in the law, upon all these goods, is 30 per cent.; but the minimums, or artificial valuations, which the law fixes upon various portions of them, makes the actual duties paid vary from 30 to 70 per cent., and raises the average upon the whole to more than 38 per cent. Still the tables of importation, if carefully examined, will prove beyond question that large classes of the cheaper cottons are entirely prohibited by the operation of these minimums. Thus, every yard of printed or colored cotton cloth, cost what it may, is to be valued at 30 cents per square yard, provided it cost less than that sum, and is to pay the duty of 30 per cent. upon that valuation; while all know that it is almost difficult, at this day, to find, in a country store, a yard of cotton calico of so high a price as 30 cents, while much is retailed for 10 and 12 and 15 cents. He would refer senators to pages 72, 73, 74, of this report of the Committee of Ways and Means of the House, for a statement of the rates of duty upon the whole range of cotton manufactures, calculated upon the English prices, where they will find, if the importations could be made, that the duties would range from 30 to 162 per cent. The average importations of the manufactures of cotton, for the six years named, was in value \$10,047,099 per year; and the average per year, under the present law, calculated from the three quarters above given, was but \$3,945,061—being 60 per cent. less than the rate of importations for the six years.

Worsted stuff goods, worsted yarns, mits, gloves, and the like, were free of duty under the compromise act; and a duty of 20 per cent. was imposed by the act of 1841. By the present law, that duty is raised to 30 per cent. This is a class of goods manufactured to a very limited extent in this country; and the duty, upon every principle, should be a revenue duty only. The average importations, for the

six years, were valued at \$4,581,587. The average per year, under the present law, calculated from the three quarters, is \$608,068—showing a falling off, in comparison with the six years, of 83 per cent.

Silks were free under the compromise act, and paid a duty of 20 per cent. under the act of 1841. By the present law, the duties are mostly specific, and levied upon the pound weight, but differing somewhat upon different descriptions of goods. These duties, calculated *ad valorem*, range from 16 to 65 per cent.; while the *ad valorem* duties imposed by the law vary from 20 to 40 per cent. The actual average duties paid upon the importations of the three quarters, of silks paying specific duties, was 32 per cent.; and of silks paying *ad valorem* duties, 26 per cent. The average value of the importations of all silks, for the six years, was \$15,247,330 per year, and the average per year of the same importations, under the present law, calculated from the three quarters, was \$3,622,347—being 76 per cent. less than the rate for the six years. Upon these goods, too, the specific duties have the effect to impose the highest tax upon the cheapest and most common article. A plain, firm, black silk, such as is most usually worn by those who wear silks in the country, will weigh much more than a fine, rich, figured, French silk, such as is worn by the more wealthy in the cities; the cost of the former will be about half that of the latter; and yet the pound weight of each pay the same duty, making the rate, upon the common article, from 40 to 50 per cent. and upon the rich article from 20 to 25 per cent.—just about half. Here, too, there is no manufacture to protect, and no apology for any other than revenue duties.

Upon carpets, the duty is also specific, being levied upon the square yard; and the rates *ad valorem*, calculated upon the actual importations, range from 28 to 87 per cent. Although the amount of duty varies upon various descriptions of carpeting, yet the heavy rates fall upon the common and cheap goods, and are almost entirely prohibitory of them. The whole importations, for the three quarters, were valued at but \$181,810, and of this amount \$150,948 was Brussels carpeting, a description much more expensive than that in most common and extensive use. Of the remaining \$30,000, \$17,099 was an importation of 7,372 yards of Wilton carpeting, the foreign cost being about \$2 50 per yard, and the rate of duty but 28 per cent.; while upon the Brussels, it was 42; and upon the treble ingrained, a much more common article, 87 per cent. The rate of diminution in the importations of carpeting, during the one year, under the present law, compared with the six previous years, was 41 per cent.

Cotton bagging is another article upon which heavy specific duties are imposed, averaging about 53 per cent. *ad valorem*. The average value of the imports, for the six years, was \$379,718; and for the one year, under the present law, calculated from the actual imports of the three quarters, \$141,755—being a falling off of 62 per cent.

The duties upon glass-ware, and window glass, are also specific; the former upon the pound weight, and the latter upon the superficial measure. The rates *ad valorem*, upon the actual importations of glass-ware, ranged from 29 to 186 per cent.; upon window glass, from 62 to 243 per cent.; and upon vials and bottles from 11 to 165 per cent. The value of the whole importations of crown window glass was but \$310; and upon that were actually paid \$688 75 of duties—being 222 per cent. upon the

whole. The total value of the importations of glass paying specific duties, for the three quarters of the year, was but \$55,214, while the value of the imports of large glass plates, plates silvered, painted glass, &c., paying ad valorem duties averaging but 32 per cent., were \$61,591. The falling off in the importation of glass of all descriptions, comparing the one year with the six, was 77 per cent.

The average importations of sugar and sirup of sugar, for the six years, was \$7,600,449; and for the one year, under the present law, calculated from the actual importations of the three quarters, \$3,376,824—exhibiting a falling off in the importations of this article of 55 per cent. The duties upon sugars, calculated ad valorem upon the actual importations, range from 67 to 101 per cent., the highest rate being upon loaf and other refined sugars. The rate upon sirup of sugar is 161 per cent.; and the provision of the law shows that it was intended to be prohibited. The importation is merely nominal—but \$57 in value in the three quarters of a year. The rate ad valorem of the duty upon molasses is 51 per cent.; and the importations had fallen off 52 per cent., comparing the one year with the six. The average value of the importations, for the six years, was \$3,192,683; and for the one year, under the present law, calculated from the actual imports of the three quarters, \$1,513,693.

The importations of hemp, cordage, and sail duck, together, for the three quarters, amounted to only \$695,571, being at the rate of \$927,428 per year; while the average importation, per year, of the same articles, for the six years, was \$1,408,525—showing a diminution of the imports of these articles, under the present law, at the rate of 34 per cent. The rates ad valorem of the duties upon hemp are less than 32 per cent., and upon duck less than 23 per cent. Upon some articles of cordage the rates are enormous. Of untarred cordage, the value imported, in the three quarters, was \$5,798, and the duties actually paid amounted to \$10,103 71, equal to the ad valorem rate of 174 per cent. So, of untarred yarns the value imported was \$1,028, and the duties actually paid \$2,046 96, equal to 199 per cent. Here the prohibition upon these manufactures rested most heavily.

The actual importations of paper, for the three quarters, were very trifling, the whole value only amounting to \$32,180, being at the rate of \$42,907 for a whole year. \$17,752 of this amount was paper hangings, paying an ad valorem duty of 35 per cent.; and the residue, \$14,428, paid specific duties, ranging from 16 to 97 per cent. The duties were specific upon almost all articles of paper, and were entirely prohibitory upon a very large proportion of them, there being no importations. The average imports of paper of all kinds, for the six years, was \$150,685—showing a falling off, as compared with the one year, under the present law, of 71 per cent.

The duties upon leather under the present law are mostly specific, and upon the actual importations of the three quarters ranged from 13 to 60 per cent.; but the whole importations only amounted to \$237,217, being at the rate of \$316,289 per year. The average value of the importations for the six years was \$805,349; those for the one year, under the present law, being 60 per cent. less than that rate. Here, again, a large share of the duties are entire prohibitions.

Raw and undressed hides and skins were free of duty previous to the passage of the present law.

The average importations for the six years were \$3,130,435 per year, and for the one year under the present law, which imposes a duty of 5 per cent., \$3,104,095—being a falling off of less than 1 per cent., as compared with the six years. This may serve to illustrate the trifling prohibitory power of so low a duty.

He would only weary the patience of the Senate by the examination of a single other article—iron; but its various descriptions, and the great variety of its manufactures, would make that examination somewhat tedious.

The rate of duty actually paid upon the importations for the three quarters of bar iron, manufactured by rolling, was 77 per cent.; and the value of the importations was \$511,282; being at the rate of \$681,709 per year. Upon hammered bar iron the rate of duty was 32 per cent., and the value of the imports was \$327,550; being at the rate of \$436,733 per year. Iron in pigs paid duty at the rate of 72 per cent., and the importations were valued at \$48,251; being at the rate per year of \$64,335. The average value per year for the six years, of the importations of the rolled bar iron, was \$2,252,174; of the hammered bar iron, \$1,597,249; and of the pig iron, \$376,743; thus exhibiting a diminution of the trade, upon a comparison of the six years with the one, of 69 per cent. in the first, 72 per cent. in the second, and 76 per cent. in the third article.

Of the various manufactures of iron paying specific duties, which, calculated ad valorem, ranged from 11 to 137 per cent., the value of the whole imports for the three quarters was \$282,038; equal to a rate per year of \$376,050. The importations of the various manufactures of iron paying ad valorem rates of duty ranging from 20 to 30 per cent., were valued at \$773,479; both classes of these imports amounting to \$1,055,517; being a rate per year of \$1,407,356. The average importations per year for the six years of all these manufactures of iron, was \$1,498,830—showing a diminution of the trade in these articles of but 6 per cent.

He was well aware that these comparisons did not form a perfect standard by which to judge of the influence of this law upon the foreign trade of the country. The imports of the fourth quarter of the last year may have been larger, in proportion, than were those of the three first quarters, upon which his calculations had been based; and to that extent, the results would vary from the fact. He believed the importations of the last quarter of that year were beyond the average; but he had them not, specifying the values of imports of each article, so that he could use the information. Then, the period he had taken for the comparison had been one of great unsteadiness in trade, as the aggregate importations for the several years had clearly shown. The first of these years, 1837, was that in the early part of which the great crash came upon the bloated credit system of the country, when all the banks suspended specie payment, and general disorder prevailed throughout all branches of business. Regularity and steadiness were not yet perfectly restored, since those extreme revulsions, and it was far beyond his power to tell what influence predominated over the trade of the country, for any single one of those years.

Still, he thought these results might be safely relied upon, as approximations towards accuracy, and as establishing, beyond the power of question, the prohibitory character of this law. As an additional mode, however, of testing the same point, he had made a tabular comparison between the importations

of 1842 and of 1843, taking the averages before used, calculated from the three first quarters, as the true importations of the latter year. He had preferred to make this comparison, because he was not aware of any other visible cause, than the legislation of Congress, materially to affect our trade in the latter year, which did not exist to the same degree, and in equal force, in the former. Both were years of serious depression in business and stagnation of trade; but he was not aware that, independent of the influence of legislation, the latter was more so than the former. At the commencement of the first year, the duties, upon all the articles he had examined, except raw and undressed hides and skins, were 20 per cent. *ad valorem*, by the provisions of the act of 1841; or near to, and approaching that point, under the operations of the compromise act; and at the commencement of the second, the present law took effect practically. His table included the articles he had examined above, and no others, and was as follows:

Name of articles.	Importations of 1842.	Importations of 1843.	Diminution.	Rate per cent.
Wool, costing more than 7 cents per lb. -	\$95,655	\$72,927	\$22,728	33
Cloths, &c., paying 40 per cent. duty -	4,517,864	1,963,175	2,554,689	56
All cotton manufactures -	9,378,513	3,945,061	5,433,452	33
Worsted -	2,957,977	770,779	2,187,198	73
Silks -	9,480,331	3,623,347	5,857,984	61
Carpetings -	292,309	242,413	49,896	17
Cotton bagging -	421,824	141,755	280,069	66
Glass -	558,509	135,740	422,769	72
Sugars -	6,503,593	3,376,324	3,126,739	48
Molasses -	1,942,575	1,513,093	429,482	22
Hemp, cordage, and sail duck -	949,808	927,428	22,380	2
Paper -	48,067	42,607	5,460	10
Leather -	912,585	316,289	596,296	65
Raw and undressed hides and skins -	1,067,816	3,104,095	933,721	23
Iron—				
Bars, &c., rolled -	2,033,433	681,709	1,351,724	66
“ not rolled -	1,041,410	246,733	794,677	58
In pigs -	295,284	64,335	230,949	78
All other manufactures of	3,552,642	1,407,356	2,145,286	60

Here was the comparison, at one view, between the importations for 1842 and 1843, of the articles named, and the names of the articles; and the sums would show that they constituted a heavy proportion of all the dutiable imports, and the heaviest of what are denominated the protected articles. He had incorporated with these articles worsteds, silks, and raw and undressed hides and skins, for a double purpose; the first two to show the prohibitory action of the bill upon articles not of the protected class, and the last to show how much better the importations kept up when the duty was very light, and still what an effect was produced upon cheap heavy articles by a very light duty. These articles, compared with some of the others, would also show how much more severely heavy duties affected the trade in some articles than in others. Take the worsteds. The duty under the act of 1841 was 20 per cent., and the present law has raised it to 30 per cent. The trade has fallen off, in the single year, 73 per cent. Take the silks. They were at 20 per cent. under the act of 1841, and range from 16 to 65 per cent.; but average, upon the actual importations of the three quarters of 1843, only 32 per cent. Yet

the trade has fallen off 61 per cent. The duties upon woollens, cottons, iron, sugar, and other of the protected articles, are much higher—some of them more than double these rates—and yet the trade has fallen off less.

Still, the rate of diminution of the trade, upon the most of the articles named, whether the comparison with the one or the six years be taken, was most marked and severe, and could not fail to be alarming to the commercial interest.

These comparisons showed the futility, as a standard of judgment, in reference to the influence of any tariff law, of general averages of the duties upon all the dutiable imports, and much more of such an average upon all the imports, free and dutiable. Such comparisons are made to assume the more favorable appearance, the more prohibitory shall be the operation of the law under which they are made. Duties so high as to be entirely prohibitory are not comprehended at all in such calculations. To illustrate, by a strong example, suppose every duty imposed was raised to a rate of perfect prohibition, so that no dutiable article could be imported, and that all our foreign imports were free of duty: then such a comparison would show that our commerce was not taxed at all by duties, and yet the richest part of it would be destroyed by a prohibitory tariff. So take, of the articles above named, paper and undressed hides, and make an average of them, and it will show a very low rate of tax upon the combined importations, because the hides pay but 5 per cent. duty and the import amounts to millions, while paper is almost wholly prohibited—the whole imports being less than \$50,000 per year; and this, although paying duties varying from 16 to 97 per cent., consists of the articles of paper paying the highest rates, and which can, therefore, come in.

Take the actual importations of the three first quarters of 1843, further to illustrate the fallacy of this standard of averages. “Appendix D, No. 2,” before referred to, is a table of these imports, paying *ad valorem* duties under the present law. At the foot, the amount of imports will be found to be \$16,684,875, the amount of duties paid, \$4,153,686 13, equal to the average rate of 24.89 per cent.; not a very high rate of duty for many articles. The rates of these duties fixed by the law upon the articles named in this table, will be found to range from 1 to 50 per cent., these rates being the extremes of the *ad valorem* duties imposed by the law. Yet the articles before examined, which pay *ad valorem* duties, hides and skins excepted, comprise \$2,277,368 less than half this amount of importations, and pay \$113,850 51 more than half of the whole amount of these duties, averaging the rate of 36.11 per cent. This shows that an average of the *ad valorem* duties, by themselves, furnishes no standard by which to judge of the weight of the tax upon a large portion of the imports embraced in the calculation.

Take then “Appendix D, No. 3,” which is a table of the actual importations, paying specific duties; and the amount of importations of this character will be found to be \$12,494,340, the duties actually paid upon them \$6,300,449.12, and the rate, calculated *ad valorem*, to equal 51.15 per cent. upon the whole. Here is an entire class of importations of more than \$12,000,000, paying duties to more than one half their entire value in our markets, at the time the duty is imposed. Yet average all these dutiable imports together, those which pay *ad valorem*, and those which pay specific duties, and what will be

the result? The entire amount is \$29,179,215, and the entire amount of duties paid is \$10,544,138 25, being only equal to 36.13 per cent., almost exactly the average before given for almost one half of the *ad valorem* importations. This is an exhibition of the average argument upon dutiable importations.

A single example of its application to the whole importations, free as well as dutiable, and he would leave this topic. The dutiable importations of the three quarters, as just stated above, amounted to \$29,179,215. The free importations, for the same period, amounted to \$35,574,584, as see "Appendix D, No. 1." These sums, together, make the whole importations of the three quarters, amount to \$64,753,799; and the whole amount of duties paid upon these importations was \$10,544,138 25; only equal to the rate *ad valorem* of 16.28 per cent. Here, then, would the gentlemen say, who rely upon these averages as a standard of judgment—here, is all the tax upon our trade, 16 per cent.; and can any reasonable man complain of that? And yet it is shown, upon the face of the very papers from which this average calculation is drawn, that one entire class of importations pay duties to more than half their value; that the whole dutiable importations pay an average rate of more than 36 per cent.; and that the trade, in large and important classes of articles, has fallen off 50, 60, 70, and more, per cent. in the first year's operation of the law; thus exhibiting a prohibitory power much more startling, than the high rates of duties paid.

These comparisons must show, to the satisfaction of every mind, that general averages are most deceptive guides, and that averages of the rate of duty, even upon any two articles of import, much more upon selected classes, may be made to convey the most erroneous impressions; and they must have led to the conclusion, which it was his object to establish, that the only useful or truthful comparisons were those which compared the duties paid upon each important article of import with the value of the importations of that article.

He had already alluded to his comparative examinations to show that different articles of import would bear very different rates of duty, with the same proportionate effect upon trade, and that the same rate, applied to all articles of import, would exhibit very different prohibitory effects, as between the different articles. He recalled this allusion now, for the mere purpose of deducing from it the position, that discrimination, as to the rates of duty, within the revenue principle, and revenue range of duties, as he had defined them, would be found not merely admissible, but absolutely necessary, both for the accumulation of revenue, and for the benefit of trade, even if no other considerations in favor of discrimination should be considered.

He had also alluded to these comparative examinations to show that the specific duties of the present law, as a general remark, and any system of specific duties so arranged, as well as the principle of minimums, must make the tax unequal and unjust; must bear the most heavily upon the most common and cheap article falling under a given duty, and therefore most heavily upon the poor and laboring classes. He was not prepared to say that, with perfect and minute information in all the manufacturing branches, a system of specific duties could not be arranged, which would be just and equal in this sense; but he was prepared to say that, with the information at present possessed by himself, and he believed by Congress as a body, or by any one

of its committees, such a system could not be proposed as would avoid this radical and fatal defect. He said fatal defect; for he held that to be so, in any legislation upon this subject, which taxed labor to the relief of capital, and imposed double the rate of duty upon poverty which was exacted from wealth. That was the effect of our specific duties. Take the cotton cloths. He who can purchase and wear qualities worth more than 20 or 30 cents by the square yard, pays a duty of 30 per cent., while he who must purchase and wear such qualities as can be purchased from 6 to 10 cents, must pay three times that duty. He could not better illustrate the practical operation of this description of tax, upon the laboring classes, than to borrow the illustration of a witness examined before a committee of the British Parliament, he believed in the year 1842. The witness said, if the coat of the man of capital was taxed too high, he had only to take a coat of an inferior quality, and procure it for the same money he had been accustomed to pay for his coat, though he would not have one quite so fine, if just as warm. Not so with the laborer. He wears the cheapest he can get, under any state of the taxation; and that coat he must have, be the tax what it may, because he cannot fall back upon an article of inferior quality, or less heavily taxed. This would not apply to our woollens, because, though taxed heavily, they were taxed equally, by a uniform *ad valorem* duty; but it did apply to the coarse cottons, and especially to the whole class of fustians, which were the peculiar clothing of the laboring classes of the cities and manufacturing districts.

He would now proceed to examine the influence of these high and prohibitory duties upon the great branches of industry of the country; and

First: *Upon manufactures.* The manufacturers themselves pray for stability in our legislation upon this subject. They say that their interests are best promoted by regularity and permanency, and that the fluctuations consequent upon changing legislation, are, almost, more injurious, than the protection they receive is beneficial, to their employments. This is to say, they want a moderate and reasonable system, not a prohibitory one; for they cannot but know that extremes in our rates of duty, be they too high, or too low, must themselves compel change. If too high, our commerce must be destroyed, and discontents thus engendered, or a surplus of revenue must be thrown into the public treasury, and a reduction of duties thus compelled; while, if too low, the necessities of that treasury will speedily force a change in an upward direction. It is the moderate, reasonable, revenue system alone, which can be stable. Based upon the wants of the treasury, and wisely and justly arranged, with reference to all the great interests of the country, there is no reason why, in times of peace, such a system should not be stable; because the wants of that treasury are not subject, at such periods, to material changes. The incidental protection afforded, by such a system, to one interest, and the incidental burden thrown upon another, would form no just subject of complaint to either. The tax would be necessary for the support of the government, and all would concede the justice and wisdom of so distributing the taxation, as to make it the least burdensome to all, as one entire whole. Not so when the tax is imposed for protection, and not for revenue. Then it is a burden imposed upon one interest, solely for the benefit of another; the supply of the

common treasury ceasing to be the regulator of the tax. Under such a system, contentment cannot be expected, or even hoped for; and, under a government resting upon the popular will, constant changes, and extreme fluctuations, must and will, be its fruit.

To the manufacturing interest, then, if stability be the most important element in its protection, the revenue arrangement of duties presents the most important and desirable system. It alone presents a national, instead of a sectional, basis for the arrangement of our duties upon imports; it alone presents an object—the supply of the national treasury—equally interesting to all, and equally controlling with all; it alone appeals to the whole public mind for approbation, and alone, therefore, can assure the promise of contentment and stability. It offers to this interest that degree of protection which the collection of revenue, for the support of the common government, will afford, and leaves the discriminations, within that limit, to the common legislature, but rejects prohibitions, destructive to itself, to favor any interest. Is this right? Is it best for all? If so, is it not the best system for the manufacturing interest itself?

He had, in the preceding remarks, treated the duty upon imports as a tax, and he had intended, by the term, a tax upon the consumer, in this country, of the article of import upon which the duty was imposed. He had not been unaware that this raised the question, who must pay this duty? This question he did not intend to avoid, nor did he intend to discuss it. He had heard too many discussions, upon legislation of this sort, not to know that this point presented an interminable field for argument. That broad field he had not the qualifications, even if he had the disposition, to enter; and his object, therefore, was rather to make one or two inquiries, to elicit information, than to controvert any position which had been, or which might be, taken in the course of the debate.

He would merely premise that it was claimed, in favor of the protection to the manufacturing interests of this country, which it was supposed to be the duty of Congress to extend, that the foreign producer, and not the domestic consumer, would be the real payer of our duty. That position he would assume to be the true one, and would illustrate his inquiry by taking a supposed case, based upon it.

He would suppose, for the sake of the illustration, that our trade, for the year 1842, was perfectly free of all duties upon imports; that A. B., a merchant of the city of New York, imported, during that year, 50,000 yards of woollen cloths, which cost him, delivered at the custom-house in New York, \$100,000. He sold these cloths in that market, during that year. In consequence of his low sales, the manufactures of woollens of this country came to Congress, and prayed a duty upon woollen cloths, to protect their interests; and Congress, considering their prayer reasonable and proper, and requiring a revenue from this importation, imposed a duty upon the importation of woollen cloths, of the year 1843, of 25 per cent. The same merchant goes to Liverpool, in the year 1843, and tells his English manufacturer, "I want the same quantity of cloth which I purchased of you last year; but I cannot pay you the same price for it, because my government has imposed a duty of 25 per cent. upon its value, which I must pay to its custom-house, before I can offer the cloth in my market. Last year, you gave me 50,000 yards for \$100,000, and the oper-

ation was a fair one in my trade; but, as I must pay, this year, \$25,000 in duties upon the same purchase, I cannot give you but \$75,000 for the 50,000 yards." The English manufacturer replies, "very well, sir, we cannot lose your market; and, if your government has taxed our cloths, as you say, we must assume the tax. We must let you have the same 50,000 yards of cloth for \$75,000 this year, which we sold to you last year for \$100,000." The merchant takes the cloth, pays the \$75,000, brings it to New York, pays his \$25,000 of duties at the custom house there, and offers his cloths in the same market as last year. How can he sell? The cost to him last year was \$100,000, paid to the foreign manufacturer. The cost, this year, is \$75,000 paid to the manufacturer, and \$25,000 paid to our custom-house, making \$100,000 in all; and can he not sell at the same prices as last year? Most certainly he can; and, in that case, what protection does the manufacturer of cloths in this country derive from the duty? Certainly none. If the foreign article can be brought here, and sold in our markets as cheap as before the duty, he derives no direct benefit from the tax. It is a diminution of the profits of the foreign manufacturer, or his loss, if you please; but the domestic manufacturer takes nothing by it, if the price of his product is not raised in our markets, or if the foreign competing product is not excluded. And in the supposed case, where the foreign producer pays the duty, beyond question neither of these consequences follow from it, as direct protection. It will not do, then, as a principle, to say that we can impose duties upon the foreign producer to protect our manufacturers, if commerce survives, and imports continue; because the case supposed demonstratively shows that, while the foreign producer pays the duty and sends the goods, the cost in our market, and to our consumer, is not enhanced, and that the market itself is as open to the foreigner as it was before the duty. In these cases there is no effective protection to the domestic manufacturer. Prohibition must take place, or the price must be raised in our markets, as effects of the duty, or our manufacturer derives no benefit from it.

He would make another illustration upon the other side of the argument. Take the same supposed case, except to assume that the consumer, in our country, pays the whole duty. Then the New York merchants pays the British manufacturer the \$100,000 for his cloth, as he did the previous year. In addition to this, he pays the \$25,000 duties at the New York custom-house, and places his cloths upon his shelves for sale at the cost of \$125,000, instead of \$100,000, as in the last year. The duty has raised the price in our markets to its extent, and the merchant finds ready purchasers at the enhanced price. Is our manufacturer then protected? What is to hinder that same British manufacturer from sending to New York as many cloths as he can sell? and how does the duty injure him? He is compelled to pay, at our custom-house, the \$25,000 of duties upon the \$100,000 worth of cloths; but as he sells for \$125,000, he can do this and still take his \$100,000 home with him, which was all he asked before the duty. At this price, then, there is no protection to the domestic manufacturer; but as soon as the price recedes from the \$125,000, for the supposed quality of cloths, he is protected, because the foreigner must pay the \$25,000 of duties, while he pays nothing. If both sell an equal lot of cloths for \$120,000, as the duty remains the same, the foreigner must pay \$25,000 of his purchase money to

the custom-house for duties, and gets but \$95,000 for his cloths; while the domestic manufacturer gets the whole \$120,000, no tax having been imposed upon his production. The protection is, therefore, an effective protection to him of 25 per cent., a part of the tax falling upon the foreign producer, and the remainder upon the domestic consumers.

Upon these illustrations, he wished to propound the following inquiries, to be answered by those who had studied this subject more deeply than himself. Did they not show, beyond the power of question, that while the foreigner would consent to pay the whole duty, his goods could be sold in our markets as cheap as before any duty was imposed; and that, although he might fill our treasury, there was no direct protection to the domestic manufacturer? That, upon the other side, if the whole duty fell upon the domestic consumer, and the price of the goods were raised in our markets to the extent of the duty, the foreigner could afford to send his goods here, pay our duty, and supply our market, as well as when there was no duty, thus presenting no effective protection, at this point? And did it not necessarily follow, from these two positions, that the effective protection to our manufacturer was only when the payment of the duty was divided between the foreign producer and the domestic consumer; and that the larger the share, less than the whole, which the market imposed upon the consumer, the better for his interest, because that was the government of his price, and the measure of his direct protection? Was it not true, that he had no other benefit from that portion of the duty paid by the foreign producer, than as it made our markets less desirable, and less profitable to him, because that went to depress the price here, and only that portion paid by the consumer was added to it?

Was not this a clear illustration of the protection afforded by a revenue duty? and did it not show that such protection was, and must be, effective, unless so light that the foreigner could afford to pay the whole of it, and thus keep exclusive possession of our markets? These appeared to him to be unavoidable conclusions from the reasoning, while the measure he had prescribed for revenue duties would seem to be such as to enable the legislature to keep the competition open and healthful upon both sides, without granting prohibition to one, and visiting exclusion upon the other, or giving monopoly to either.

He was aware that human wisdom, without practical experience, could not tell what was the extreme revenue point, as to any rate of duty, much less as to the arrangement of an entire tariff; but he believed an approximation could be made from the information already within our reach, which might be corrected, after the operations of trade should have pointed out its errors, without causing changes seriously detrimental to any interest. His examinations had satisfied him that a range of duties from 25 to 33 per cent. were as high as most articles of import would bear, consistently with the revenue principle. There might be exceptions, and he thought, if there were, that iron and sugar were the principal articles. These had, for a long time, under our legislation, borne very heavy duties, and continued to be largely imported, and to be very prolific of revenue. Still he thought the examinations he had made had conclusively shown that the rates of duty, under the present law, were too prohibitory upon these important articles for revenue duties. The trade in the former had fallen off, upon

an average, about 65 per cent., and in the latter 48 per cent., as compared with the year preceding the passage of that law. It might not be necessary to bring them down to the rates he had named to preserve the revenue principle, but he was satisfied that a material reduction was demanded for that purpose.

The rates he had moved were a quarter and a third of the value of the property to be taxed; and was not that taxation enough, as a general rule, for reasonable protection? Would not as large a share of that tax fall upon the consumers, the whole people of the country, as they ought to pay to sustain the manufacturing interest?

Second, upon commerce. The influence of high and prohibitory duties upon this great and essential interest cannot be otherwise than deeply injurious. They act directly upon trade, and tend to force it from its natural channels, and to diminish its volume and expansion; and, in that way, to the extent of their influence, strike at the life of commerce.

Stability is most essential to healthful commerce, and fluctuations interrupt its channels, increase its hazards, and render it fitful and sickly. Very high duties occasion extreme fluctuations, and prohibitory duties destroy trade, and put an end to commerce. The examinations he had made, and the results he had exhibited, of the influence of the present law upon trade—upon the importations—were an exhibition of its influence upon the commercial interest.

The imposition of all duties operated directly upon trade and commerce, and could not benefit either. Upon them the tax was more directly felt than upon any other interests; because by them the capital must be raised to first meet the payment, and upon them the whole influence was concentrated, who ever might eventually refund to them the duties paid. Still he did not believe that moderate, reasonable, stable duties, such as would be imposed within a wise and just revenue arrangement, would be severely oppressive upon the commercial interest, or would be seriously complained of by it. This interest should bear its share of the common burdens, and, fairly treated, it was as able, and he believed as willing, to bear it, as any other interest. It had a right, however, to claim exemption from the oppression of duties not required for revenue, and not imposed to collect it; and from prohibitions, which were its destruction. Under any stable, well and wisely arranged revenue system, it could bear the burden of collecting the revenue, which the country should require from customs, and could preserve health, activity, and vigor; but under a system of prohibitions, and strongly prohibitory duties, injurious both to revenue and trade, it must be sickly, fitful, feeble, and hazardous. Constant changes from extreme to extreme, and constant agitation, were no better for commerce—perhaps much worse. That system of duties which would produce general contentment with all interests, and could therefore be stable, was alone consistent with the prosperity of commerce; and that, he believed, would be found in a fair revenue system.

Third, upon agriculture. The influence of the present tariff law upon the agricultural interest was the most important consideration, because it is the basis of all the other interests, and, in our country, more important than all others. The great mass of our people are engaged in this interest, are dependent upon it for their subsistence and their comforts, and cannot fail to suffer from whatever is injurious

to it. Indeed, none of our other great interests can long flourish under any system from which it materially suffers. Its firm prosperity is indispensable to their continued health; and its languishment must soon be followed by their decline, in spite of the power of partial legislation.

The situation of our country most invites, and its true interests most require, the wide extension and firm advancement of this great interest. Our vast unsettled domain is an unproductive waste, no matter how naturally fertile the soil, until agricultural labor reaches and subdues it, and changes that waste into fruitful fields. Hence, the influence of our legislation of this character upon the interests of agriculture becomes doubly important, and has a national, as well as an individual, consequence, paramount to that which attaches to any other of the great interests.

Under this sense of the importance of the examination he was prosecuting, he hoped the Senate would bear with him while he made a detailed, and somewhat minute, inquiry into the influences of this legislation upon the products of agriculture.

He would take first the article of *wool*. This is an important production of agriculture, over a very large extent of the country, and a principal staple in several of the States. The extent and importance of the interest, as well as the great worth of the wool-growers as a class of our citizens, entitles this article to all the consideration and protecting care which Congress can justly give to any article, or any interest.

How, then, was the value of wool in this country, at the present time, compared with the value of similar qualities of the same article in other wool-growing countries? He did not refer to South America, Smyrna, and like regions, where the sheep was permitted to range uncontrolled and without care, and where the principal value given to the wool was the cost of taking the animal and cutting off the fleece; but to England, Spain, Saxony, and other countries, where wool-growing was made a business of careful cultivation. He could not answer the question he had asked, as applicable to the present time; but he held in his hand a volume of testimony, taken before the Committee on Manufactures of the House of Representatives, during the sessions of Congress of 1827-'28, from which it appeared that wool of the same quality was, then, from 50 to 70 per cent. higher in this country than in England.

[Mr WRIGHT here referred to the evidence, and read from the testimony of several witnesses to sustain his assertion.]

His examinations had established another fact, which was that Spain, Saxony, and all the other wool-growing countries of the continent of Europe, exported wool to England, showing that they produced the article cheaper than it was produced in England, and could afford to sell in the English markets. These importations it had not been, at any time, the policy of England to prohibit; and, for the benefit of her manufactures, they had usually been permitted entirely free, or at a very light duty.

Wool, then, was higher in our markets than in those of any other country where the article was cultivated, and where the finer and richer qualities were produced. What was now the difference between the prices of fine wools in our markets and in those of England, he did not know; but he did not suppose it was anything like as much as the witnesses referred to had stated it to be in 1828. Indeed, he doubted, at that time, whether the wit-

nesses had not made a high estimate of that difference, because it appeared to him that importations would have been greater if the difference in price had remained, for any considerable period, as great as they supposed it to be.

Be that as it may, his object in making these references, and stating these facts, was to inquire whether any senator supposed we could, by our legislation, maintain wool at a valuation in this country from 50 to 70 per cent. above that of all other wool-growing countries? and whether any senator believed we ought to do that, if we could do it? He did not think we should do this, if we could; because, if we gave wool that artificial value above the markets of the world, we must give the same increased value to woollen cloths, and other manufactures of wool, or otherwise we should make the destruction of its manufacture in the country certain; and there would be no market, and no price for our wool but the exporting price; and if we must add from 50 to 70 per cent. to the cost of all the manufactures of wool, beyond what they might be purchased for abroad, merely to keep the price of wool in this country up to this high mark, he thought the tax would be too heavy for the object; because all must wear woollen goods, while few, in the comparison, would grow wool. He did not, however, think we could accomplish this object, if we should try to do it. There was no portion of the stock of the farmer which could be so easily and so rapidly increased as his flocks of sheep, and with so little outlay of capital; and there was scarcely an improved county in the whole Union where sheep could not be well and easily grown. If, therefore, we should give to this branch of agricultural industry this great advantage, and these exorbitant profits, how very soon would domestic competition overstock the market, and bring down the price? It was impossible, in a country like this, by the power of legislation, or by any other power, to maintain any one branch of human industry in the possession and enjoyment of such an advantage. It was fortunate that it was so; or otherwise, the temptations to unjust and partial legislation would be too fearful, and the oppressions from it might become wholly insupportable.

He was willing to extend to the American wool-grower such fair and reasonable protection as our necessities for revenue would warrant—say 30 per cent; and was not that reasonable protection to our farmers, who choose the business of wool-growing? Was not \$30 in every \$100 a reasonable advantage, compared with those engaged in other branches of farming, who could not be protected at all? Was it not as high a tax for their benefit as the public would be contented to bear? Was it not as strong encouragement as the business would warrant, without inviting so many to it as to overstock our markets, and render the protection useless—for all would see that, when they should be compelled to seek an export market, our duty would not aid them. He was compelled to say he thought this degree of protection would better promote the interests of our wool-growers than a higher, or more prohibitory duty; because it would be stable, the revenue being necessary; and because, admitting a moderate foreign competition at the great disadvantage of \$30 in the \$100, it would not invite that flood of domestic competition, which perfect prohibition would be almost certain to bring upon them, and the consequent extreme fluctuation which over competition never fails to produce. He believed our wool-

growers would be satisfied with this degree of protection, if the taxes upon the articles they were compelled to purchase and consume were proportionately reduced.

Hemp. This is another agricultural production within the reach of protection, or which has been hitherto so considered. Yet it would be seen that the present duty upon this article, upon the actual importations for the three quarters of 1843, was only equal to an ad valorem rate of 32 per cent., and if put, therefore, at 30 per cent., the reduction could not be material. The present duties upon some of the manufactures of hemp were enormous, while others were low revenue duties. The duties actually paid upon untarred cordage and yarn were 174 and 199 per cent., while those paid upon sail duck were but 22 per cent. These were inequalities for which there could be no reason, connected with a proper protection to the agricultural production.

He was not acquainted with this branch of agriculture, but he had understood that the difficulty did not arise in the growing of hemp; that our soils were as rich and suitable, and produced the crop as easily and abundantly, as those of any other country; but that we either did not possess the skill, or were not willing to use it, because it was injurious to health, properly to rot the hemp for exposed uses. Our hemp-growers practised the dew-rotting, while the water-rotting was said to be indispensable for durability, when put to exposed uses, such as sails, cordage, and the like. He did not suppose any one expected, by any degree of protection, to force our dew-rotted hemp to these uses; and he had never been able to perceive how any duty we might impose was to give us the skill, if we have it not, to water-rot our hemp; or, if we have the skill, and will not use it, because the process is an unhealthy one, how an increase of duty was to change that disposition. He had never understood that the question was one of expense, and, for that reason, requiring protection; and he was happy to learn that some experiments had been recently made to export hemp from this country, with some promise of success. In any way, therefore, in which he had been able to view the interests of agriculture, as connected with this product, he was forced to consider a duty of 30 per cent. a sufficient protection, and he thought the hemp-growers would so consider it.

Sugar. This is an agricultural production, which has grown into importance in our country, within a few years, comparatively speaking; and yet it has already become the great staple of one section, and the cultivation and production are rapidly increasing. He was wholly unacquainted with this branch of agriculture, and could not, therefore, form any opinion as to the extent of protection required for it. The article was one which had been very heavily taxed, under almost all our tariff laws; formerly, much more as a rich source of revenue, than from any object of protection to the domestic production. It had proved to be an article which would bear a higher rate of revenue duty than almost any other considerable article of import in our whole list. The duty imposed under the present law is much less than that under the tariff of 1816, or any intermediate law, other than the gradual reductions under the compromise act; and yet the rates, as had been seen, were from 67 to 101 per cent. under this law. It would be also observed that the falling off in the trade, in this article, upon a comparison with the six years, had been

55 per cent.; and with the single year 1842, but 48 per cent.; much less, in both cases, than most of the other articles subject to such extreme rates of duty. These facts were referred to for the purpose of showing that the article would bear a very high revenue duty, and he did not doubt that all the protection required, and certainly all which it would be reasonable to impose upon an article of such universal consumption, could be afforded without a violation of the revenue principle.

Of the principal agricultural staples of this country, the three named were all which had occurred to him as asking protection, or being within its reach. Of all our other great staples, we are exporters, and not importers; and the markets of other countries, the open market, of the world, are our markets for these products, and must govern our prices. Protection, therefore, by impost duties imposed by us, was wholly illusory and useless. Any duty imposed by us upon the foreign articles in our markets could not raise the price of our articles in a foreign market.

Take the article of *flour*. This is an important product of agriculture over a very large portion of the Union; and, of it, the country exports largely. He was aware that a high duty was imposed upon the importation of foreign wheat, and flour, by the present law; but did that duty benefit the wheat-grower? Where was his price made? Certainly in our commercial and exporting cities. There the surplus of our wheat must go, and did go, to find its market; and there the market price was established, which governed the sales throughout the country. What controlled the price in those cities? Supply and demand, which control the price of every thing in every market. What demand? The whole demand for flour, no matter whether to be consumed at home, or to be exported. All purchasers in the same market pay the same price, without reference to the purpose for which they buy. There is always, as a general rule, a surplus of flour in our commercial markets, beyond the demand for domestic consumption; that surplus must seek a foreign market, and the price it will command for exportation controls the price of the whole mass. Our duty, therefore, was wholly inoperative, and could not exert the slightest influence upon the price of flour, thus controlled, even in our own markets. Flour, then, could not be protected, because we export flour, and the open markets of the world are our markets, and must control our prices.

The argument in favor of the prohibitory system upon manufactured articles was, that, by forcing a larger proportion of our laborers into manufacturing employments, we should withdraw them from agriculture, and thus diminish its productions, while they would become consumers, instead of producers of its products, and thus the agricultural interest would receive a double benefit from the policy. He should, by-and-by, have occasion to inquire how far labor was likely to be benefited by a policy which was designed and calculated to make bread dear. But, passing that consideration for the present, he would examine this argument as applicable to the profits of grain-growing as an agricultural pursuit. In just so far as the manufacturing employments of this country increase the general demand, in the markets of the world, to precisely that extent is the wheat grower benefited by the policy, in the single article of the sale of his wheat. Beyond that, this effect cannot be experienced, so

long as our wheat and flour market is an exporting market. If the policy could be carried so far as to force a sufficient portion of our labors to manufactures to consume all our flour, and leave no surplus for exportation, then might the wheat of our farmer come within the reach of protection; because, then, a prohibitory duty upon foreign wheat would give him the monopoly of our markets, and enable him to control the price in them. Until that state of things could be produced, our wheat and flour could not be benefited by an impost duty. So long as we were exporters, and foreign markets were our markets for these articles, the price of the wheat of our farmer could not be benefited by our duty. The increased home demand would benefit him so far as it should affect the price of his wheat in the export market, no farther; and beyond that he could derive no benefit, while our country should export wheat.

Did any senator hope to see the time when this country would not export breadstuffs? He did not hope to see that time. He thought the masses of the people of this country would find speedy cause to regret such a period, if it should ever occur. They would be likely to find that a monopoly of bread was anything but a protection to their comforts.

The articles of *beef, pork, butter, and cheese*, agricultural productions of the North and West, stand in the same relation to this policy with wheat and flour. They are great staples of these sections of the Union, and they are all articles of export. Their market is the market of the world, and the prices they command are measured by the wants of the world, not merely of our Union. Import duties upon all these articles are dead letters upon the statute book, so far as the interests of our farmers are concerned. They afford no revenue to the public treasury to lighten his taxes, and add nothing to the price of his products. He spoke comparatively. There were imports under all these heads, but not of that character which conflicted with the farmer's market. Delicacies, luxuries, bearing these general names, were imported in very small quantities, for the uses of those who regarded their appetites more than their pockets. Take the article of cheese as an example. The value of the importations, for the three quarters of 1843, was \$3,859, the quantity being 30,633 pounds. This showed a foreign cost of more than 12½ cents per pound, and the duty was 9 cents per pound, bringing the article, to the consumer, up to a price probably not less than 25 cents per pound, while the market cheese of this country commanded about 5 cents per pound in our largest commercial markets. So with wheat. Choice seed wheat was occasionally imported, which gave the article a place upon the list of imports, while the quantity brought into the country did not, in the least, affect the market price of the wheat of our farmer. So with the other articles named.

The manufactories were spoken of as furnishing valuable markets to the farmer for these articles of his produce. Where did the manufacturers purchase their supplies? In the great commercial markets, where they sell their manufactured goods. By what price did they purchase? By the same which others paid in the same markets. New York and Boston are the great exporting markets for the flour of this country. Did any one ever think of going to Lowell, the largest manufacturing village in the country, to learn the market price of flour? Certainly not; but the manufacturer of Lowell goes to the Boston or New York market, both to learn

that fact, and to purchase the flour for the consumption of his factory; and when there, he purchases for the same price which the merchant pays, who purchases to export to England, France, South America, or any other foreign market. The former gets no more from the manufacturer than from the exporting merchant. So with all other like articles of supply for the manufacturing establishments.

It was undoubtedly true that these establishments opened a limited retail trade to the farmers in their immediate vicinage, for fresh provisions and temporary supplies, which was both convenient and lucrative; but this was a benefit too narrowly circumscribed to be taken into the account, when discussing the great and general interest of agriculture throughout this wide country.

Cotton, rice and tobacco, were great agricultural staples of the southern and southwestern States, which were also compelled to seek foreign markets, and were, therefore, beyond the reach of protection from import duties. Of these articles, the cotton was by far the most important, as it was much the most important article of export from our country. He believed the estimates were that about one-fifth of the ordinary annual crop was consumed at home; the remaining three-fourths being, of course, compelled to seek a foreign market. What proportions of the tobacco and rice found a home market, and what proportions were exported, he was unable to say. It was enough that the interests of all these branches of agriculture were in much better and abler hands than his here; and in those hands he should cheerfully leave them.

Not to go further in this examination of agricultural productions, here were eleven principal articles, three only of which could be materially and practically benefited by protecting duties; and it was for the wisdom and the justice of Congress to decide how far the great public and private interests of all would be consulted by taxing the eight for the benefit of the three, beyond that degree of taxation which a supply of the public treasury should demand, and the proper rates of duties for raising revenue should warrant.

If such were the relative advantages and burdens, flowing to the manufacturing, commercial, and agricultural interests, from the prohibitory system of duties, what were the relative claims of these several interests to the favors and bounties of the government, growing out of the actual profits of capital now invested in them respectively? Upon this point he pretended to no extent or accuracy of information; and his object was to throw out the crude impressions he had imbibed, rather to elicit information from others, than under any expectation of communicating information himself.

In agriculture the great mass of the capital of the country is employed; and what does it yield, in net annual proceeds? The senator from South Carolina [Mr. McDuffie] had said he did not believe the net profits of the planters of his State exceeded, upon the average, 5 per cent. upon the capital invested. He was surprised, at the time, to hear the gentleman make so high an estimate. He had reflected much upon the subject, and taken some pains to make inquiries from others, and he did not believe that the net profits of the capital invested, upon a fair appraised value of the property in the market, in any agricultural county in his State, taking an average of years, would exceed 3 per cent., and he should not feel surprised to know that it did not exceed 2 per cent. He knew that the moderate but

independent farmers of his section of the Union, worth from \$3,000 to \$8,000, and \$10,000, as industrious and frugal as any class of the citizens of this country were, or could be, who could pay off their expenses and lay up from \$100 to \$300, at the close of the year, not counting the labor of themselves and their families upon the one side, or their living upon the other, considered themselves as doing well. The investments of capital were more secure in this branch of industry, and to that extent should yield less returns. He did not doubt that many would think him wild in the judgment he had pronounced, and perhaps he was; but if gentlemen would institute careful inquiries, he had no doubt they would be surprised at the very moderate profits derived from the capital employed in agriculture, as a general average for the country.

In commerce the case was very different. Here the hazards were extreme, and success usually brought extreme profits. There appeared to be an attraction in this pursuit, growing out of the very hazards which surrounded it. Vast fortunes were, sometimes, suddenly accumulated, and, like the lotteries, men were prone to look at the prizes, not at the blanks which were drawn. Still he very much doubted whether, as a whole, the net profits of the capital invested were not less in this than in either of the other great divisions of business. He had often thought that, were any branch of human industry presented, however lucrative the compensation promised, where the hazards to life and health were seen to be as great as are the hazards which attend the employment of capital in commerce, and where so many wrecks could be seen along its shore, no human being would be found to engage in it. He had heard calculations of the rate per cent. of commercial men who fail in business, and it was fearfully great, though his memory would not permit him to state, with confidence, what the rate was.

How, then, was it in the manufacturing and mechanical branches of industry? Here, more than in the other branches, forecast and calculation can be employed. The agriculturist must take the chances of the seasons, the merchant the perils of the seas, and both the changes of the markets; while the latter is the only hazard of the manufacturer and mechanic, whose employments do not rest upon artificial and changing legislation. He could speak from an acquaintance somewhat extensive as to the mechanics of the country as a class of citizens; and where industry and prudence were carefully observed, no class of men in our country were more certain to reach comfortable independence. Among the most useful, independent, and respectable citizens, wherever he had enjoyed a personal acquaintance, he had always found the mechanics, as a class, holding a very prominent place. Hence he had been led to believe that the profits of capital and the fruits of industry in their employments were as good as in any others he had known, as a general remark.

With the large manufacturing establishments he had scarcely any acquaintance. He must speak of them, therefore, from report, and he should do so principally from what had been said of the profits of their capital, in the course of this debate. And what had been said upon this point? Their dividends had been spoken of as ranging from 6, 7, 14 and 20 per cent. up to 30 and 40 per cent. per annum. These latter rates, he was compelled to suppose, must be somewhat exaggerated. He had,

however, been informed, from sources upon which he placed strong reliance, that some of the establishments engaged both in the cotton and the woollen manufacture, were able to divide to their stockholders 7 per cent. upon their capital stock, half-yearly, and to accumulate a surplus amply sufficient to cover all contingent losses. This was too much for interests sustained by the universal taxation of all other branches of industry. If this was so, it proved conclusively, to his mind, that the present prohibitory duties should be modified, and fair revenue duties substituted, that a healthful competition might moderate these profits, by a reduction of the prices of the manufactured articles to the consumers. This was far beyond the profits of capital in other branches of industry, and too much to be sustained by burdens imposed upon them.

[Here Mr. WRIGHT gave way to a motion that the Senate adjourn.]

TUESDAY, April 23, 1844.

Mr. WRIGHT said, when addressing the Senate, upon a former day, he had closed what he had proposed to say of the influence of prohibitory duties upon capital, and the three great divisions of industry in which capital is employed. He did not propose now to recapitulate at all, but to complete the task he had assigned to himself with as little further consumption of the time of the Senate as possible.

It remained for him to consider the influence of the system of prohibitions, and prohibitory duties, upon labor as a distinct interest; the labor of those operatives, in all the great departments of industry, which is compensated by stipulated wages, and has no other or further interest in the capital which employs it, or in the profits or losses arising from the employment of that capital.

This division of the subject, and the careful consideration of this head, was rendered more appropriate and important because the advocates of the system of high and prohibitory duties place its defence and justification mainly—nay, he might say almost exclusively—upon the ground of protection to this labor. To give it more constant and more profitable employment was their great avowed object; and some of the most earnest of those advocates, in this debate, had gone so far as to say that, if this ground could not be sustained, the system itself could not be defended and justified.

This avowed object was a worthy one. No great interest in any country more justly demanded or deserved the watchful regard of legislators than this labor, and no member of this body felt more earnestly anxious than he did to shape all our legislation so as to bring the fewest burdens upon, and the greatest benefits to it. Under the influence of this disposition, he should enter upon the examination of what he thought were, and must be, the influences of such a policy upon this description of labor in our country.

One position could not fail to be admitted. If the high duties raise the price of the necessities of life to our laborer, the cost of his food, his clothing, and his comforts, to that extent they are a tax upon him, and lay him under the necessity of having more constant employment, or higher wages, or both, to meet the increased expenses of his living. And this consequence must attach to him in whichever of the great branches of industry he may be employed. The tax he must pay upon these neces-

series must be equal, whether he be engaged in manufactures, commerce, or agriculture.

While the high duties remain, and are effective to raise the price and extend the market for manufactured articles, those engaged in the manufacturing branches of industry may be able to employ more labor, and to pay better prices, in consequence of the duties; but it has been already shown that duties, imposed for protection and not for revenue, never have been, and never can be, sustained at a stable point; that, as soon as they shall have the effect to give artificial values to the protected articles, the burden of the tax will be felt by all other interests, the disproportionate profits to the protected interests will be seen, discontents will be engendered, and the duties will be reduced. This will suspend employment at the high rates of wages, and the laborer will be thrown wholly out of employment.

Again: If too prohibitory, commerce will be destroyed, the collection of revenue defeated, and a reduction of the duties back to the revenue point will become compulsory. This will have the same effect to render the employment of the laborer inconstant and fitful, as well as to unsettle the rate of his wages. And if these two almost unavoidable consequences do not follow, the increased profits, arising from the artificial values given to the products, will produce domestic competition, break down the monopoly, reduce the business to the level of other pursuits, and thus destroy the effect of the duties upon the wages of labor. In either of these events, the influence upon the wages of the laborer must be temporary, and the consequence of the temporary increase of his compensation must be inconstant employment, at any rate of compensation.

In this aspect of the case it is important to examine the nature of the connection between this labor and the capital which employs it, in the manufacturing branches. And it should be premised, that, in any state of duties, any advance in the rates of wages will only be a consequence of an advance in the products of that labor, and so far from keeping pace with the latter, be the enhancement of the value of the products what it may, the only increase in the compensation to labor will be what is required to command the requisite amount of it from the other great branches of industry. If the goods of the manufacturer should be doubled in value, it by no means follows that he would double the wages of the labor he employs. That would depend upon the rates of wages which his agricultural and commercial neighbors were able to pay, and the rate of wages he would establish would only be such as to take from them the labor he should require. An advance of 5 per cent. would effect this object, and he certainly would not go beyond its accomplishment. This principle is not only true when applied to labor employed in manufacturing, but is equally applicable to the wages of labor in all the pursuits of industry. No capitalist, whatever may be his employment, pays more for labor than will command such as he requires, be the profits of his business what they may. If the wheat of the farmer, or his wool, or his beef, double in value, he does not, in consequence, double the wages of his laborers. If the adventure of the merchant double his capital invested, he does not, in consequence, double the wages of his sailors and cartmen. A permanent advance in products generally usually draws after it an advance in the wages of labor, but always as a consequence; the labor is the last to advance, and, when the enhancement of the value of products is

extreme, labor never keeps pace with them. The ordinary wages of the able-bodied day laborer of the North, in the hay and harvest season, is \$1, in money, or one bushel of wheat; but let wheat advance to \$2.50 per bushel, as it sometimes does, and the wages of the laborer may be \$1.50, never more, and more likely \$1.25. The operation of this rule is universal.

Let the usual revulsion come, after one of these periods of high prices, as it always must come, and what is the effect upon labor? Employment, at any rate of wages, almost ceases. The farmer and the merchant curtail their operations within the narrowest possible limits; and the manufacturer closes his factory, and stops altogether. This compels the laborer, at once, to work for any rate of wages he can get, when any employment at all is offered. Such are the fruits of extreme fluctuations upon labor; and it had been seen that fluctuations must be a consequence of high and prohibitory duties, and a consequent artificial standard of value, in any branch of industry.

Again, the manufacturer can make his business the subject of very accurate estimate and calculation; and hence he is able to establish the rates of his laborers' wages so as, with a very great degree of certainty, to protect himself from loss. He is about to make a certain quantity of a certain description of goods, say cotton or woollen cloths. He can tell precisely what the materials will cost him, how long it will take his mills to work them up, what will be the ordinary wear and tear of his machinery, what his allowance for accidents, what the interest upon his capital, and, from the prices current of the day, what the cloths will sell for in the market. He knows, then, what he can afford to pay for the labor, his only risk being a change in the market, before his cloths can be placed there. Will he exceed in his rates of wages what he thus ascertains he can afford to pay? Never. He will sooner close his mills, and let his capital remain idle. Will he pay for his labor all which this calculation shows him he can afford to pay? That does not follow, if that be more than will command from others the labor he wants. Hence, in this branch of industry, the laborer must work for the ordinary rate of wages, be the profits of the manufacturer what they may; while, if prices are low, he must work for what the manufacturer can afford to give without loss to himself, or the factory is closed, and he finds no employment there at all. In other words, the profits upon his capital are the whole object of the proprietor of the manufactory; and he will not work it to his own loss, knowing it to be so. If, therefore, fluctuations come, which he can foresee—if prices fall below a healthful line,—the weight is thrown from himself on to the shoulders of the laborer, and he must bear the loss in a reduction of his compensation, or he must be thrown out of employment altogether.

Another consideration, he supposed, must materially affect manufacturing labor. He was not personally acquainted with the subject, but he supposed that labor was rendered more dependent than labor in the other branches of industry, because the laborer, by long employment in a manufacturing establishment, was, to a great extent, unfitted to perform profitable labor in any other calling. Was this not so as to the great body of manufacturing laborers? and did not, therefore, the sudden closing of the factories, and the entire arrest of their employment, reduce them to peculiar dependence, unknown

to any other classes of laborers in our country? Such were his impressions, and if they were well founded, they would show the great power which the manufacturing capitalist must hold over the employment, and, by necessary consequence, over the living, the comforts, and the independence of the manufacturing laborer. Was it wise or politic, in reference to the labor of this country, to endeavor to shape our laws so as force it into these dependent situations, from the more free, and equally comfortable and respectable employments of agriculture and commerce? He could not think so.

He had admitted that, while the high duties should be effective to the manufacturing interest, it could afford to make a better compensation to labor, although the rates of compensation, so artificially improved, as well as the entire labor under the system, must thereby be rendered unstable, fluctuating, fitful, and uncertain; yet how would the same system of duties and prohibitions affect the commercial branch of our industry? He had before attempted, and he believed successfully, to show that this whole policy must be a direct burden upon commerce. Upon this interest it was that the tax was directly felt. Here the capital must be raised to pay the duties. Here the hazards of the markets, at the enhanced prices, must be encountered. And can this great branch of industry make better and higher compensation for its labor under such a system? Palpably not; and yet its labor is equally taxed, and equally demands increased compensation. Suppose the duties are prohibitory. To that extent commerce is destroyed, and the call for labor to carry on its operations is also destroyed. Its whole operations, too, under such a system, must be unsteady, uncertain, changeful, and fluctuating; and so must be its demand for labor, and its ability to compensate it; and yet its labor, under all these disadvantages, must bear its full share of the burdens of the system. Its food, and clothing, and comforts, must bear the same taxation with the other branches of labor, and be injured in the rate of its compensation, in the steadiness of its employment, and in the extent of the demand upon which it relies. Need he say more to prove that moderate, reasonable, stable revenue duties were infinitely more advantageous to the labor employed in commerce, than a system of prohibitions even intended to protect labor?

How was it, then, with the labor employed in agriculture? The wool grower, while the protective duties shall have the effect to raise the price of his wool, may be able more fully to compensate the labor he is called upon to employ; but what is his demand for labor? Nothing like that of the man who tills the soil, and makes grain-growing his business. Upon this point he spoke with some confidence, as he believed he possessed accurate personal information. That portion of the country in which he had resided from infancy to manhood was then a grain-growing, and is now a wool-growing district. The consequence had been a vast change in the hired labor employed by the farmers. Their hay-cutting season was now the only one in which the demand for labor was extensive, most of the farmers intending to tend their flocks of sheep, and manage their limited tillage, with small additions to the labor of their own families; and the mass of the labor of their hay fields was now performed by transient laborers from the neighboring British province of Canada. The rate of wages was high, but the employment

very temporary; and in consequence that class of native laborers which, when he was a boy, had depended upon employment from those farmers, was not now found there. They had gone west, to the grain-growing sections.

The hemp and sugar growers of the southwest might require the same, or even more labor, in consequence of their protection; and might also be able to pay better prices, so long as the duties should have the effect to enhance the value of their products in the market. Of these agricultural employments he could not speak from personal acquaintance, and he was therefore disposed to indulge the most favorable presumptions in regard to the labor employed in them.

What was the influence upon the labor employed in tillage, in raising the wheat, and other grains of the North and West, and in making the beef, pork, butter, and cheese, of those sections, and in cultivating the cotton, rice, and tobacco of the South? They would require the same labor in proportion to their productions. Their labor is equally taxed with that in the other branches; and their own clothing and other necessaries and comforts, save the provisions which they produce, bear the same burdens with those consumed by their fellow-citizens in other employments. Will the system of high and prohibitory duties enable them to pay more for their labor? It has been seen that their products must seek the open markets of the world, and that our duties cannot affect their price. If the duties shall be so high as to break up, or materially interrupt the exchanges of commerce, to that extent their markets must be injured and the value of their products depressed. How, then, can they afford to pay higher wages for labor, under such a system, than under one of stable revenue duties, which leaves their markets open, commerce healthful, and themselves and their labor but moderately taxed, and that to supply the national treasury, which they must, in some form, contribute to supply? They cannot. They cannot, so well afford to compensate labor for its toil; and yet these employments are the great resource of at least nine-tenths of the labor of this whole country.

Entertaining, most deeply, these impressions in relation to the influences of the prohibitory system of duties upon the labor of this country, he had expended a good deal of time and research to inform himself as to the results of a like policy upon this great and vital interest in countries where the system was much older, and had been much more rigidly enforced, than as yet with us. One natural and necessary consequence of the system had appeared to him to be to increase the power of capital over labor, by forcing it into artificial channels, and thus increasing its dependence; to increase the profits of capital at the expense of labor, and finally to give to the former a monopoly to impoverish and oppress the latter.

As England is the country to which we are most usually referred for lessons of wisdom upon this subject, and the British government is the one which claims and receives the credit of having most perfectly protected its domestic interests, and especially its labor, he had referred to British history to satisfy his inquiries upon this point. The examination had been a tedious one, and briefly and imperfectly as he intended to exhibit it to the Senate he should be compelled to be tedious in the performance of the task.

And, first, as to wool. The export of wool from

Great Britain was prohibited by law from 1660 down to 1825, while the article was permitted to be imported free of duty down to the year 1802. Here the agricultural interest was made subservient to the manufacturing, by the strongest provisions of law. The British wool grower was compelled to sell his wool in the markets of his own country, and all the world were at liberty to compete with him there upon equal terms. In 1802, a very light revenue duty of 2s. 3d. sterling per cwt. was imposed upon imported wool, which was raised, in 1813, to 6s. 8d., and in 1819 to 56s., equal to 6d. per pound. This high duty was continued but for a short period; when, to favor the manufacture, the import duty was brought back to 1 farthing per pound upon wool costing 1s. sterling per pound or under, and 1d. per pound upon all other wool, where it now remains.

In 1337 Parliament passed a law "prohibiting the wear of any cloth made beyond sea, and interdicting the export of English wool."

In 1525 the manufacture of wool was domestic, and pretty equally distributed over the kingdom.

In 1533 a law was passed reciting "that the city of York afore this time had been upholden principally by making and weaving of coverlets, and the poor thereof daily set on work in spinning, carding, dyeing, weaving, &c.," that the manufacture, having spread into other parts, was "thereby debased and discredited;" and enacting, as a remedy for this evil, that hereafter "none shall make coverlets in Yorkshire but inhabitants of the city of York."

At about the same time an act was passed to restrain the manufacture in Worcestershire to the town of Worcester and four other towns.

Here was protection to the woollen manufacture, carried not merely to the prohibition of all imports of woollen goods, and the wear within the realm of all cloths made beyond sea, but to the prohibition of the manufacture, in certain branches, by any of the inhabitants of the country, except in certain specified towns; in other words, protection by law against domestic as well as foreign competition.

In 1677 a law was passed declaring upon its face that it was for the encouragement of the woollen manufacture, which required that all persons should be buried in woollen shrouds, and that the coffins should be lined with woollen cloth, if lined with cloth at all. Heavy penalties were imposed for any violation of this act, which went to the clergyman of the parish, whose duty it was made to prosecute for the penalties when incurred; and he was to read the act to his congregation on a specified Sabbath in each year. This law the historian says was enforced, and remained a statute of the realm for more than one hundred and thirty years.

As early as the year 1700, manufactures of wool were exported from Great Britain to the amount of more than £3,000,000 sterling per annum. In 1787 the average exports were about three and a half millions, up to, and until after, which date all importations were entirely prohibited. In 1819 importations were permitted at a duty of 50 per cent.; which duty was subsequently reduced, and in 1834, was but 15 per cent. upon goods not made up, and 20 per cent. upon those made up, or partly so.

In 1835 the entire manufactures of wool in the kingdom were valued at £21,000,000, a little less than one-third of which were exported.

This brief sketch would show with what minuteness and rigid care this interest had received legislative protection in England, and how readily and perfectly even the agricultural interest was subjected to

its advancement; and under that government, where the will of Parliament is the constitution and the only limit of power, they were not compelled to resort to prohibitory duties to reach such an object, but prohibitions in terms, as well of exportations as of importations, were readily and freely resorted to, when thought to be more efficient.

The duty upon bar iron, in 1787, was £2 16s 2d per ton, and upon iron in pigs 27½ per cent.; but iron castings and manufactures of iron were prohibited. At this period, the exports of iron were very small, only some eleven or twelve thousand tons per year. In 1819, the duty upon bar iron had been raised to £6 10 0, and upon iron in pigs to 17s 6d, while the importation of iron castings was permitted at a duty of 20 per cent., and wrought iron and the manufactures of iron at 50 per cent. In 1834 the duty upon bar iron had been reduced to £1 10 0, upon iron in pigs to 10s, upon castings to 10 per cent., and upon wrought iron and the manufactures to 20 per cent. In this year, the exports of iron were 145,000 tons, and in 1838, 255,317 tons. The substitution of pit for wood coal, about a century ago, gave a wonderful impetus to this manufacture in Great Britain, and reduced the price of iron one-half in a comparatively short period.

The manufacture of cottons to any considerable extent, in Great Britain, is comparatively of recent origin. It is supposed to have existed to some extent in the early part of the seventeenth century; but down to a period as late as 1773, cotton was only used for filling upon a linen warp. This manufacture was also at first domestic, and very generally scattered over the country. The weavers purchased their linen warp of the Irish, their cotton wool in their own markets, and from these materials made their cloth in their own houses, and sold it where they could find purchasers. About 1760, the merchants of Manchester commenced to purchase the warp and cotton, and send agents into the country to hire the weavers to manufacture cloth for them. At this time the whole value of the manufacture in the kingdom was but £200,000 per annum. In 1767 Hargrave invented the spinning jenny, and soon after Arkwright invented the spinning frame. About 1785 Compton invented the mule jenny, and Cartwright the power loom. After these improvements the manufacture extended itself with unexampled rapidity, although this has never been an interest so peculiarly favored by British legislation as the woollens interest. At an early period this branch of manufacture was directly discouraged, and almost prohibited by law. In 1721 a law was passed imposing a penalty of £5 upon the weaver, and £20 upon any person who should sell a piece of cotton calico within the realm. This was to protect the woollen and linen manufactures; and fifteen years after this time, this legislation was so modified that calicoes manufactured in Great Britain were permitted to be worn, "provided the warp thereof was entirely of linen yarn."

At this early period importations of cotton wool were permitted free of duty; and as early as 1787, the manufactures were protected by an import duty of from 44 to 50 per cent. In 1819, these duties had been raised to 50 and 67½ per cent.; and in 1834, they had been reduced to 10 and 20 per cent.

Nothing could exhibit more forcibly the advance of the cotton manufacture in Great Britain, or of the production of cotton wool in this country, than a brief reference to our exports of that article to that country. In 1791, the first cotton wool was

imported into England from the United States, and the quantity was 189,316 pounds. In 1792, the quantity was less, being only 138,328 pounds. In 1793, Whitney invented the *cotton gin*, and in 1794 we sent to Great Britain 1,601,760 pounds of cotton; in 1795, 5,276,300 pounds; and in 1837, (forty-two years,) this export had reached the enormous amount of 444,211,537 pounds. Previous to 1831, the import duty into Great Britain did not exceed 6 per cent. It was then raised to 10s. sterling per cwt., which duty was found too burdensome to the British manufacture, and in 1833 it was reduced to 2s. 11d. per cwt. At about this period, the estimated value per annum of the manufactures of cotton, in the realm, was £34,000,000 sterling, more than a third beyond the value of the manufactures of wool at the same period. Of this amount of manufactures, about one-half are annually exported, and find their market out of the kingdom.

Such was a very brief sketch of these three important branches of manufacture, wool, iron, and cotton, in Great Britain, from their infancy until they became extensive and important exporting interests; and it deserved remark, that that one of the three which depended entirely upon a foreign material, and which had been the least favored by legislation, had become by far the most important of the three, and much the most extensive and important manufacturing interest in the kingdom. Another remark should also be made, and it was that all these interests had long since advanced beyond the reach of protecting duties, by becoming exporting interests, and being compelled to seek the open markets of the world for a very large share of their productions. The present import duties, being low revenue duties, was conclusive proof upon this point.

This brief history showed a further fact connected with the arguments urged in support of the prohibitory policy in this country. It was that Great Britain had reached that condition which the advocates of that system here seem to suppose is so very desirable, and would be such a source of wealth, happiness, and independence to this country—the condition when the population of the country require all its produce of provisions for their own subsistence. There the agriculturalist has that home market, the exclusive benefits of which hold so conspicuous a place in these arguments.

What had been, and what was now, the influence upon the labor of Great Britain of this home monopoly of food? This was the point he was at present discussing, and it was in reference to the influence upon labor that he now proposed to examine the protective and prohibitory system of that government, and its general legislative policy in respect to the agricultural interest. Here, again, he should be compelled to be tedious, but to himself the examination was not without deep and exciting interest. He proposed to confine himself principally to breadstuffs, and mostly to the article of wheat.

He found that, from the conquest in the eleventh century down to 1436, (nearly four hundred years,) the exportation of breadstuffs from England was entirely prohibited, while he found no notice of any restraint upon importation. The declared policy during this period was to secure an abundance of provisions, and low prices. In other words, it was a system of protection to labor at the expense of capital.

In the year last named, a law was passed to per

mit the exportation of breadstuffs when the home price should have fallen to a certain specified point. For wheat it was about 36 cents per bushel, and other grains in proportion. The policy of this legislation was to relieve agriculture from the depression of its own overstocked markets, but under the restriction that exportation must cease when the domestic price should rise above the point named.

Laws were also passed to regulate and restrain the domestic trade in breadstuffs. These laws made it highly penal for purchasers to buy up and engross the stocks of grain, and prohibited purchasing in one part of the kingdom to sell in another.

In 1562, exportation was permitted when the domestic price should fall to about 54 cents the bushel for wheat; and in 1571, the permission was extended to the price of about \$1 07; but an export duty of about 10½ cents was imposed, to be paid to the public treasury.

In 1624, the laws imposing restraints upon the internal trade in breadstuffs were materially modified.

In 1670, the point of exportation was extended to the price of about \$1 47 per bushel for wheat, the same export duty being imposed. The same law prohibited importations when the home price should be at or below the point of exportation, and imposed an import duty of 22 1-5 cents per bushel until the home price should rise to \$2 22 cents, when importations could be made free of duty.

This appeared to be the first law adapting the policy of direct protection to agriculture by prohibitions and import duties.

In 1673, only three years after, all the laws restraining the internal trade in grain were wholly repealed, evidently in furtherance of the same policy of removing the restrictions upon agriculture and extending its privileges.

In 1689, sixteen years later, the policy on the subject of the exportation of breadstuffs was precisely reversed. The export duty of 10½ cents per bushel was repealed, and a bounty allowed of about 14 cents per bushel, to be paid from the public treasury, upon the exportation of wheat, when the home price should be at or below \$1 32 per bushel. This swept away the last remaining vestige of the legislation, designed, or calculated, to make bread plenty or cheap; and adopted fully the policy of legislating, as our system proposes to do, to make it scarce and dear.

From this period until 1773, almost a century, the legislation fluctuated—at some periods exportation being wholly prohibited, and at others the sums paid in bounties upon exportation being very large. In the single year 1750 these bounties paid amounted to \$1,062,270. At the early part of this interval, the import duty was increased to about 45½ cents per bushel upon wheat, when the home price was at or below \$1 52 per bushel; and half that duty above that price and below \$2 30, when importations were permitted free. In 1699, 1703, 1704, and 1747 additions were made to this duty, the last law fixing it at 63 cents per bushel when the domestic price was at or below \$1 25, and continuing very heavy duties until that price should rise to the former limit of \$2 30.

In 1773 a great change was made. Importations were allowed at a merely nominal duty, when the home price should rise to \$1 37 per bushel for wheat, and exportation was entirely prohibited when that price should be above \$1 22. This law also first allowed importations of wheat in bond.

there was an extensive remission of the former protective policy in favor of the consumers of breadstuffs, and consequently in favor of labor. From his time until 1791 no material change took place in the general policy of the legislation, though several laws were passed increasing the import duty when the price of wheat was at or below the limit before fixed of \$1 37 per bushel, the last bringing that duty up to 69 cents per bushel.

In 1791 new demands were made for further protection to the agricultural interest. Deep fears were expressed that the country would be brought to a dependence upon foreign wheat for its bread, unless greater encouragement was given to the domestic wheat grower. The duty was then 69 cents per bushel, but that duty ceased when the home price should rise above \$1 37. The consequence of this agitation was the continuance of that duty until the home price should rise above \$1 43, and the addition of heavy duties between that price and \$1 54 per bushel.

In this legislation was furnished the clearest evidence that the consumption of breadstuffs in the kingdom was exceeding its fair natural production, and the brief sketch he had given of the advance of the manufacturing interests would show that at this period it was that the manufactures of woollens, iron, and cotton were making their most rapid extensions, forced along by very high protecting duties, or positive prohibitions. The consequence of this further protection to the grain-growing interests was a forced movement in that direction. Lands much more suited to grazing were taken in and put to tillage under the artificial encouragement and the necessities of the country for bread, and mark the first consequence.

In 1793, at the expiration of but two years, the bounties upon the exportation of wheat from the realm were revived. The domestic markets had become so soon overstocked, and as the landowners could not sustain the consequent fall in the home price, a bounty must be paid to them, from the public treasury, for exporting their surplus to foreign countries, and selling it there cheaper than they were willing to sell it in the markets of their own country.

In 1797 the Bank of England suspended specie payments, prices of commodities and of breadstuffs with others rose greatly, and demands for further protection to the grain growers was the speedy consequence; and in this year, and also in 1803 and 1804, moderate additions were made to the import duty.

A second law, in 1804, fixed the import duty at 86½ cents per bushel, when the price should be at or below \$1 80, and a moderate duty between that price and \$1 89. This act continued the bounties on exportation when the home price should fall to \$1 35.

In 1805, 1806, 1809, and 1813, laws were passed increasing the import duty; the last fixing it at \$1 13 per bushel, when the price in the domestic market should be at or below \$1 80.

In 1814, all restrictions upon exportation were taken off, and all bounties upon exportation repealed.

In 1815, after a desperate struggle in the country, and in Parliament, a law was passed prohibiting importations for domestic consumption, when the price of wheat was at or below \$2 30 per bushel, and allowing them, *free of duty*, when the price rose above that point.

Here, this branch of British legislation reached its climax, and between that time and 1827, several

acts were passed permitting importations of breadstuffs, for specified periods, or in limited quantities, or under special orders from the crown, or the board of trade, at very moderate duties; and upon one occasion the lords commissioners of trade actually admitted the importation of a considerable quantity of breadstuffs, in the face of the law, and subsequently sought and received the sanction of Parliament for their act.

In 1827 a modification of this extreme protection took place. The import duty was fixed at 57 cents per bushel when the price of wheat should be at or below \$1 72; and for every fall from that price of 22 cents 44 cents were added to the duty; and for every rise in the price of 22 cents above the point fixed, (\$1 72,) 44 cents were to be taken from the duty, until wheat should come to be about \$2 per bushel, when the duty was to be stationary, and merely nominal—only equal to about 2½ cents per bushel. This act was limited upon its face, and was to expire on the 1st of May, 1828. This was the first direct introduction of the sliding scale of duties, which still characterizes the British corn laws; and these modifications of the law of 1815 were predicated upon the admission that the protection to this interest had been carried to excess under that law.

In 1828 a general law fully adopting the sliding scale, so called, gave again permanent regulation to these duties. The point fixed for importations at a merely nominal duty was a domestic price a trifle above \$2 per bushel. For a fall of 1s. sterling below this price, 2s. 8d. were added to the duty per quarter of eight bushels; for a fall of a second shilling per quarter, four shillings more were added to the duty; and so on, irregularly increasing the duty as the home price of wheat should fall, until, at the price of \$1 85, the duty should be 57 cents per bushel; and from that point the duty was to increase exactly as the price should fall.

After this period no material change is believed to have taken place until the now existing law, which fixes the duty at 55½ cents per bushel when the price of wheat is \$1 41½, and diminishes the duty exactly, or almost exactly, as the price rises, until it reaches \$2, when the duty becomes fixed, and merely nominal—1s. per quarter of eight bushels.

Such was a brief and very imperfect sketch of the protection which British legislation had given, first to the consumers, and then to the producers, of breadstuffs.

A mere glance at the legislation in reference to a few other articles of provisions would close this review. In 1787, the import duty upon hams and bacon was \$10 43 per cwt.; that duty in 1819 had been raised to \$12 43, and is now just half that amount, \$6 21 per cwt. The importation of salted beef and pork was prohibited in 1787 and in 1819, and now the duty is \$2 66 per cwt. In 1787, the import duty upon butter was but 55½ cents per cwt., and in 1819, and at the present time, it is \$4 44. Upon cheese, the duty in 1787 was 33½ cents per cwt., and in 1819, and at the present time, it is \$2 31. Such has been the protection extended to these important agricultural productions, which are equally necessary articles of food.

Such had been the British system of protection to domestic interests, as the terms are used in this debate—to great branches of manufacture, and to the great and leading interests of agriculture—and what have been the fruits to the British population, to the British masses, to British labor?—for this last was his present point of inquiry.

Need he refer to the present condition of the laboring masses of Great Britain to answer this question? Were authorities required to establish and illustrate the condition of that portion of the British population? He should not attempt to adduce them. The very argument upon which the present tariff law was sustained, and its policy justified, by its most intelligent as well as most distinguished advocates here, admitted all he wished to infer as the fruits of the British system. What was that argument? That our manufactures, our agriculture, our every interest, required to be protected against "*the pauper labor of Europe*;" and of what country in Europe so much as Great Britain? What other country held such stern competition with us in almost all our manufacturing interests, and especially in wool, iron and cotton? Not one, and not all the countries of Europe combined. Protection, then, was demanded, most emphatically, against the pauper labor of England, of Great Britain. And hence his argument, drawn from the practical workings of the British system, could not be inapplicable, or inappropriate.

Again, he would repeat, he was examining the influence of this prohibitory and monopolizing system upon labor, upon the condition and comforts of the laboring classes, and upon the wages of labor.

What, then, was the present condition of the day laborer in Great Britain? What in England itself? That of poverty, want, and hunger. Poverty in his dwelling, in his clothing, in his food. He remembered to have seen, within one or two years, extracts from some public document, he believed some examination before a committee of Parliament, in which it was stated that the agricultural laborer of England did not consume as much wholesome bread by about one-fourth as the same description of laborer in France, and nearly one-half less than the same laborer in this country; that he did not have, on the average, to exceed one full meal of butcher's meat per week; and that the laborers in the manufactories were not as well fed as those employed in agriculture. The same document stated that the laborer in Ireland was scarcely acquainted with the articles of meat and bread, as articles of his own food, the potato being almost his exclusive living.

Such had been the fruits of this system of prohibitions and monopoly of bread to labor in Great Britain, and such was the condition to which a rigid adherence to it for many centuries had reduced the common laborer of that country. It had produced an impassable separation between labor and capital, and an examination of the official documents upon which the modern British legislation was predicated would show that the great inquiry was, how would any proposed measure affect capital; the rents of land; the revenues of the wealthy classes; the credit of the stocks?—not how it would affect the working man or his comforts. The tendency there had been to benefit capital at the expense of labor, until it had made the capitalist an aristocrat, rolling in wealth, holding the labor of the country under his feet, by his monopoly over all the pursuits of industry, and the government of the country and the control of its policy, in his hands, by the power of the loans which the profits of his capital arising from this legislation had enabled him to make to it. It had made the government a proud, splendid, and powerful bankrupt, buried under a mountain of debt which it never hoped to pay; and it had made the working man a starving beggar—a legalized pauper.

Could a like policy and like measures fail to produce like results upon the laboring man of this coun-

try? They had produced them to an almost equal extent in France, Spain, Austria, and every other country where the monopolizing policy had controlled the legislation. In Great Britain they had been produced most perfectly, because there the policy had been adopted most extensively and pursued most rigidly; but everywhere the marked effect had been to separate capital and labor, and to place the latter entirely in the power of the former; and an invariable consequence had been to increase the profits of capital, and diminish the wages, the comforts, and the independence of labor. Ireland afforded the most striking example of the extent to which the power and oppression of capital over labor could be carried. There even the landlord was a permanent absentee, not simply from his estate, but from the country, and every thing which would sell was carried away to extinguish his rents and swell his gains, while that which would not, remained to subsist an almost naked and almost starving tenantry, suffering under the oppressions of a merciless agent of their absentee landlord.

He had letters, informing him that persons were now engaged, in various parts of the country, endeavoring to prejudice the minds of our honest Irish laborers against those who seek to modify the present tariff law, alleging that it is done to benefit British labor, at the expense of the labor of this country. Did they hope to convince these warm-hearted sons of oppression, who had fled from this system at home, that it would be a blessing to confer it upon them here? Are they to be made to believe that the British policy, which has brought the laborer in Great Britain to absolute starvation, is a policy which is to promote their happiness in this country? They will pay, as cheerfully as any portion of our population, such taxes as the support of the government may require, but their experience at home will not be likely to make them easily believe that taxation will bring them either comforts or independence.

Still, it is said, we require protection against the pauper labor of our country, and of other European countries. This was not the ground assumed at an earlier stage of this policy. Then it was that our manufacturers required protection against the increased cost of the raw materials for their manufacture in this country over that cost in the manufacturing countries of Europe. He held in his hand the minutes of testimony taken before the Committee on Manufactures of the House of Representatives, during the session of Congress of 1827-'28, and previous to the passage of the tariff law of 1828. The testimony to which he referred related to the manufacture of wool; and every witness who answered the interrogatory agreed in stating that wool could be manufactured as cheap in this country as in England, the manufacturer here having the wool and other materials at the same price.

Mr. WRIGHT here read the testimony of several witnesses, among which were the following:

Col. James Shepherd, of Northampton, Massachusetts, witness, was asked the following question, and gave the following answer:

"*Question.* Of an equal quality of wool, at present prices, in England and the United States, can the English manufacturer make a cheaper fabric than can be made in the United States? If so, how much cheaper?"

"*Answer.* The difference in the price of the fabric would be the difference of the price of the wool, in

my opinion, as I think we can manufacture it as cheap as they can!

Mr. W. read the testimony of Abraham Marland of Andover, Massachusetts; William W. Young of Wilmington, Delaware; James Walcott, jr., of Southbridge, Massachusetts; and Joshua Clapp of Boston, Massachusetts, to the same purport.

He then read the testimony of Joshua W. Pierce of Somersworth, New Hampshire, as follows:

Question. Without reference to the price of wool, can the fabric be manufactured as cheap in the United States as in England?

Answer. I think it can. All my information brings me to this conclusion; and one reason I would assign is, that we substitute a much larger share of the labor of females than they do in England, in the woollen manufacture."

He also read the testimony of Elenterre Irene Dupont, of New Castle county, Delaware, as follows:

Question. Without reference to the difference in the price of wool, can the fabric be manufactured as cheap in the United States as in England?

Answer. The woollen manufactory is not fairly established in this country, but I know no reason why we cannot manufacture as well, and as cheap, as they can in England, except the difference in the price of labor, *for which, in my opinion, we are fully compensated by other advantages.* Our difficulties are not the cost of manufacturing, but the great fluctuations in our home market, caused by the excessive and irregular foreign importations. The high prices we pay for labor are, in my opinion, *beneficial* to the American manufacturer, as for those wages he gets a much better selection of hands, and those capable of, and willing to, perform a much greater amount of labor in a given time. The American manufacturer, also, uses a larger share of labor-saving machinery than is used in the English manufactories, which very much diminishes the effect of the higher rate of wages upon the actual cost of our goods."

Here was the sworn testimony of practical manufacturers in 1828. They did not, then, suppose that they required protection against "the pauper labor" of England. Whether time had changed their interests, in this respect, he was unable to say. He did not suppose it had materially, as he was not aware that the wages of labor had risen in this country, or fallen in England, so as to widen the disparity between the two countries, very essentially, since 1828.

Whether these witnesses were, at the time, laboring under a mistake in judgment upon this point, was another question which he was not able to decide. He would confess that he had some doubts, when the testimony was given; and yet it satisfied him that the disparity, if any, must be much less than seemed to be generally supposed.

Another remark was suggested here, from the answer of the last witness. Our cotton and woollen manufactures must now certainly be fully and firmly established; and he supposed the skill possessed in these branches must be as perfect, as to the qualities and kinds of goods manufactured, as that possessed by manufacturers elsewhere. In 1828, this was one of the principal grounds upon which protection was sought. It was contended that our manufacturers wanted time to establish their business, and acquire the skill necessary to compete with foreign establishments. Had sufficient time to accomplish these objects been allowed, that now the

ground was changed upon which continued protection, beyond that which the collection of the revenue would afford, was still demanded? He supposed that must be so, and hence it was necessary to examine this new ground, and most especially as to its influence upon labor.

If we are to adopt the prohibitory system to protect our manufacturing interests against the pauper labor of Europe, when is the ground for that protection to cease? Certainly not until one of two events can be brought about. It must continue either until pauper labor shall cease to exist in Europe, or until the system shall produce pauper labor here, which can compete, upon equal terms, with the pauper labor of other manufacturing countries. Who ever expects to see the time when there will not be pauper labor in England, and the other European countries? Certainly no one, while the present institutions, and systems, and policy, of those governments continue. The first event, therefore, is not to take place, and thus relieve our manufacturers from their demands for protection against the pauper labor of Europe.

How is it as to the second of these events? Will the prohibitory system, fully introduced and rigidly adhered to, reduce the labor of this country to a similar state of pauperism, and therefore of equal competition, with the labor of Europe? It had been seen that such had been one of its fruits, in every country where it had been rigidly enforced. Suppose the system to be carried to the British extent in this country, and that a sufficient portion of our population be induced by it to resort to manufacturing and the mechanic arts to consume all our agricultural productions: can that portion of the population which continues in agricultural pursuits consume all the manufactured products of the portion engaged in that branch? Certainly not the one half of them. As one man employed in agriculture can feed several engaged in other pursuits, so one man employed in manufactures can clothe several engaged in agriculture. What, then, is to become of the surplus of manufactures? Now there is a surplus of agricultural productions, and that surplus is and must be exported; and hence those productions are beyond the reach of protection from our duties. So must the surplus of manufactures, in the assumed case, be exported; and then will manufactures be beyond the reach of our protection, while the agricultural productions, being all consumed at home, will be brought within the reach of protection from our duties.

Such is precisely the present condition of Great Britain, and her agricultural interests prove as ready to demand her legislative protection, and a monopoly of her home markets, as did her manufacturing interests, in their infancy, while the latter have passed beyond the reach of benefit from the policy, by having become her exporting interests.

Suppose this revolution accomplished in our country, and that all our agricultural products are consumed at home, and all our exports are made to consist of our manufactured products: how would then be our manufacturing labor? It would be beyond the reach of protecting duties, because its products would have to be sold in the open markets of the world, and to meet the competition of the world, the pauper labor of Europe and all. No import duties of ours can enhance the value of their products, or give to them the monopoly of a market. They must meet competition, as the great mass of our agricultural productions now do, wherever a market

can be found. Then, however, our agriculture, like that of England at the present time, will claim the protection within its reach, the exclusive possession of the markets of its own country. It will command and secure that protection, for it is, and will be, the commanding interest. It will here, as in other countries, draw the capital of the nation to itself, for the security of investment, when the control of the national policy shall enable that capital, thus invested, to dictate its own profits.

When such a state of things shall have been produced by a prohibitory policy on the part of this government, what will measure the compensation to labor? and what, especially, to manufacturing labor? The manufacturer can make his calculation as well then as now. He can tell the cost of his materials, the interest upon his capital invested, the wear and tear of his machinery, and the promise of his market, as well under such a system as under the present; and, consequently, he will know as certainly what he can afford to pay for labor, and when his interests will be better served by closing his factory than by employing laborers to run it. What will he do? Will he not pay such rates of wages for labor as he can afford to pay, or employ no laborers at all? Most certainly he will. What will be his moveable item of cost in deciding the question whether he shall work his mills or suffer them to remain idle? Most certainly the wages of his labor. He cannot control the cost of the materials of his manufacture, or the cost of the provisions and other necessities of the laborers he is to employ; and he will not abate the profits upon his capital; but he can and will control the wages of his labor.

If, then, pauper labor in Europe meets him in the foreign market, he must and will have pauper labor at home to compete with it, or he will close his mills and employ no labor. And suppose he does that, what is this mass of unemployed manufacturing labor to do? Where is it to resort? Will agriculture take it up? Certainly not; because that will extend its productions beyond a supply for the home market, and destroy its monopoly and high prices, by compelling it to export.

This is precisely the result of the experience of Great Britain, as before shown, and of all other countries which have pursued the monopolizing policy. The result in all has been dear bread and cheap labor; the prosperity of capital and the subjection of the masses; the triumph of the power of money over the moral and physical power of men. It must be so in this country, if ever the time should arrive that its manufacturing, rather than its agricultural, becomes its exporting interest. Then the laborer would be fettered and bound down to such fixed employment as capital should find it for its interest to give, and the wages of labor must, as in England now, be controlled by the prices at which the products of manufacture could be sold abroad. He would make a brief reference to testimony taken before a committee of the House of Commons of the British Parliament in 1842, to show the workings of the system upon the wages of labor there. The witness was a Mr. Joseph Walker, an extensive manufacturer, at Wolverhampton, England. Speaking of the duties upon the foreign iron used in their manufactories, and the effect of that duty upon the wages they are able to pay for labor, he says, "that difference must come out of the wages of labor here; for we actually export the goods that we

make of foreign iron; and when we export them, we must sell them at the price the foreigner does."

"Question. You mean to say that that burden compels you to reduce the wages so as to enable you to compete with the foreigner? Answer. It has the effect of reducing them the whole amount of the duty."

Again: speaking of duties upon articles of provisions, the witness says: "Undoubtedly all the duties put upon the importation of food of all descriptions—on coffee, sugar, corn, and everything of that sort—are a direct disadvantage to the laboring man of England; because it is evident that the manufacturer must sell his goods at the price at which the foreigner sells his; and, in order to do that, he must reduce his wages to the workmen." Again:

"Question. Do the wages of the workmen at Wolverhampton rise and fall with the price of food, and other articles of necessity? Answer. No; I think not. I do not think it operates. The wages of labor depend upon the demand for the goods, not upon the price of the provisions. We witness, now, low wages and a high price of provisions; high prices of bread, meat, and groceries." Again: "Question. Unless the price of your manufactures was lower, how would you be better able to meet the foreign manufacturer than you now are? Answer. We are now compelled to fall back upon a reduction of wages to meet the foreign manufacturers, because the cost of the raw material is the same to them and to us; and it is, therefore, the workmen who suffer. If we do not get 10s. for a piece of goods in a foreign market, and we are obliged to take 8s., we must then either cease to send the goods there, or fall back upon the wages to reduce it to 8s."

Here was the sworn testimony of an intelligent manufacturer of goods in England for an export market, and here his exposition of the influence upon the wages of labor, of the condition he had assumed when the productions of agriculture find consumers at home to their full extent, and when the manufacturing has become the exporting interest.

He had said he did not wish to see the time when this country should cease to export the breadstuffs, and other articles of food. Here were his reasons. This witness had stated them from a practical experience. He did not wish to see the time when our duties would fall upon the hungry laborer, because he must have food; and this testimony showed that the capitalist would not let them fall upon him. If compelled to pay a duty upon his iron, he would deduct the amount from the wages of his laborer; and the laborer must work for such wages as he could get, or he could not eat his highly-taxed food. Such were his views of the unavoidable final fruits of the prohibitory system upon labor and the laboring man.

So much had been said, in the course of this debate, about the present prosperity of the country, and the agency of the present tariff law in producing the prosperous change, that he felt compelled to offer a remark or two upon that subject. And, in the first place, it was his duty to inquire to what extent the country could now be said to be in a prosperous state. It was important to settle the fact, before it would become necessary to seek for the cause.

The commercial exhibition, which he had presented for the year 1843, certainly did not furnish much ground for exultation, so far as that great interest was concerned. He was aware that trade was holding out a somewhat better promise for the pres-

ent year; though nothing he had yet seen indicated very abundant importations for this year. He suspected that gentlemen had rather looked at the duties collected, under the present very high rates, than at the value of the importations; for they would remember, if the imports should rise up to what had been considered in former years a healthful and prosperous state of commerce, with the present very limited free list, the revenue collected must be enormous under the present rates of duty.

How was it with agriculture? Was that interest prosperous? He could speak within his own limited acquaintance, and not beyond it. In the county of his residence, the beef and pork and butter and cheese of the farmer, during the last fall, which was the season for the sale of those productions, found one of the dulllest markets which that section of the country had ever known, and at prices at least from 15 to 20 per cent. reduced from the previous very low year. Such was the state of agricultural prosperity there, and he was informed and believed that all the northern and western counties of his State had met the same experience. Breadstuffs, and especially wheat, he believed did a little better last fall, and found ready markets at moderately fair prices.

The manufacturers, it was said, had been doing a very lucrative business under this law, and he presumed that interest might be called prosperous; and he thought the prosperity derivable from this legislation, must be limited mainly to that interest.

He did believe that the law had exerted some influence in the restoration of the public credit, and the belief that it would, had operated strongly in inducing him to vote for it; but a much more moderate law, and one arranged upon fair revenue principles, while it would have had at least an equal effect in that direction, would have less embarrassed agriculture and commerce, and laid a more safe and healthful foundation for the lasting prosperity of our manufactures.

In speaking of our prosperity, senators seemed to forget our condition at the time the law passed. The evils of our bloated credit system had passed over the country, blighting everything like prosperity, and leaving only debt and distrust. Time had means-

urably restored confidence where it was deserved, and the sponge of the bankrupt law had wiped away the hopeless load of debt. In this condition, the country was as certain to rise into a state of prosperity, as the young and sound constitution, to recover health, after the seeds of the disease which has prostrated it have been eradicated. Here was the great and resistless cause of the moderate degree of prosperity which had yet appeared, and it would be scarcely in the power of bad legislation to prevent its onward progress, though it might, as he believed this law would, if not properly modified, materially retard it.

Finally, he would ask, could a system of taxation be made a system of blessings to a whole people? Was it possible that a country could be taxed into prosperity and wealth and happiness? If the tax collector was benefited, must not the tax payer feel the burden? If one interest was positively promoted by the arrangement of the tax, must not some other one be burdened by it? It was a tax, and must be paid, and all, therefore, could not receive and none pay. Would Congress think of imposing taxes if revenue was not wanted? Would any one think of imposing high duties if there were no expenses of the government to provide for? He supposed not; and hence it seemed to him that the duties we do impose should be imposed to raise the means to meet those expenses, not to defeat revenue by prohibiting importations.

Let him not be misunderstood. His argument was not between protection and no protection. It was between that degree of protection which is incident to revenue and consistent with it, and prohibition, destroying revenue, and conferring monopoly. He was willing to throw the whole mass of the revenue from customs—from sixteen to twenty millions of dollars a year—between the domestic and foreign competing interests, for the protection of the former; but he was not willing to shut out competition, break up our commerce, and destroy our revenue to favor any interest. He believed such a policy unequal and unjust; that it would unreasonably burden the exporting interests, and must finally fall with crushing weight upon the working man.

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